United States Court of Appeals

for the Second Circuit

APPENDIX

ORIGINAL

74-2026

United States Court of Appeals

For the Second Circuit.

THE UNITED STATES OF AMERICA,

Plaintiff-Appellee,

vs.

MILTON COHEN, BERNARD DEUTSCH and STANLEY DUBOFF,

Defendants-Appellants.

On Appeal From The United States District Court for The Southern District of New York

JOINT APPENDIX
(Vol. III — Pages 1725-2126)

SEGAL AND HUNDLEY
Attorneys for Defendant-Appellant
Bernard Deutsch
745 Fifth Avenue
New York, New York
(212) PL 3-7800

ZISSU LORE HALPER & ROBSON
Attorneys for Defendant-Appellant
Stanley Duboff
450 Park Avenue
New York, N.Y. 10022
(212) 371-3900

FREDERICK H. BLOCK
Attorney for Defendant-Appellant
Milton Cohen
295 Madison Avenue
New York, N.Y. 10007
(212) 685-1161

S. EDWARD ORENSTEIN
Attorney for Defendant-Appellant
Milton Cohen
401 Broadway
New York, N.Y. 10013
(212) 925-1414

Dick Bailey Printers • P.O. Box X, Staten Island, N. Y. 10302 • Tel.: (212) 447-5358

ONLY COPY AVAILABLE

PAGINATION AS IN ORIGINAL COPY

TABLE OF CONTENTS

VOLUME I	Page
Docket Entries	1
Indictment	5
Information	18
Exhibit: Letter from John M. Walker Dated 1/15/74	32
Letter from Frederick H. Block Dated 1/23/74	35
Bill of Particulars	37
Amended Bill of Particulars	41
Judgment (Milton Cohen)	43
Judgment (Bernard Deutsch)	45
Judgment (Stanley Dubroff)	46
Notice of Appeal (Cohen)	47
Notice of Appeal (Deutsch)	48
Notice of Appeal (Dubroff)	49
Excerpts from Transcript of Testimony	101
Witnesses:	
Alvin S. Malmon,	116
Georgia Nelson Quinn, for Government	180
Hugh Deane, for Government	569
Bernard Shwidock, for Government	326
Ruth D. Appleton, for Government	518
John P. Hurley, for Government	595
Michael Terry Papworth, for Government	770
Oscar Feldhamer	793

Page

Perry Leff, for Government 805

James Giasafakis, for Government 842

Gerald O'Meara, for Government 868

VOLUME II

Kenneth Rich, for Government 892

Joseph James Kally, for Government 898

John R. Filmore 961

Fred Paul Mazzeo, for Government 978

Harry B. Morginstin, for Government 1040

Somer Jack Rothman 1051

Stanley Muchnick, for Government 1141

Bernard Brodcorb, for Government 1142

Ronald Frankel, for Government 1174

Louis Chazan, for Government 1196

Dan Hesser, for Government 1202

Frank Austin, for Government 1220

James Ledbetter, for Government 1244

Gloria Jean Segal, for Defendant 1265

Dean Richard Faris, for Defendant 1270

David Feldhamer, for Defendant 1315

Allan David Dudovitz, for Defendant 1323

William L. Louder, for Defendant 1341

Harvey Pohl, for Defendant 1364

Leonard Mayer, for Defendant 1380

S. Edward Orenstein, for Defendant (outside jury's presence).1430

Page

Hugh B. Clayton, for Government 1440

VOLUME III

Government's Requests to Charge 1725

Cohen's Supplemental request to charge, No. 3 1728

Cohen's Supplemental request to charge, No. 8 1729

Cohen's Supplemental request to charge, No. 9 1730

Defendant Duboff's Requests to Charge 1731

Court's Exhibit 1-Block's Note to Court 1745

Court's Exhibit 2-Segal's Note to Court 1746

Government's Exhibits:

2 - Memorandum 1747

4 - Letter dated March 17, 1970 1749

5B - Offering Circular 1750

5C - Form Pursuant to Rule 260 of Reg. A 1766

6 - Minutes of Special Meeting 1768

7 - Letter dated November 5, 1969 1770

8 - Letters 1771

9A- Letter Dated March 17, 1969 with enclosure 1774

9B - Letter dated March 19, 1969 1777

9C - Letter from Richard Packing Co. 1779

10 - Minutes of Special Meeting 1780

13A - Annual Report 1782

13B-1 - Work papers 1793

Page

Government's Exhibits (Cont'd)

14A - Confirmation 1799A

14B - Confirmation 1799B

15A - Confirmation 1799C

16 - Confirmation 1799D

17A - Confirmation 1799E

18A - Confirmation 1799F

19A-D - Checks 1800

21-A - Z and AA-DD - Reiss & Co. Reports 1802

22-A - J - Cables 1852

24A-E - Checks With Endorsements On Back 1862

25A and B - Checks with Endorsements 1872

31a - e - News Releases 1876

31g - News Release 1881

33 - Security Recommendation 1882

37 - Memo 1883

42 - Bills 1885

47 - Chart 1887

48 - Chart 1888

50 - Chart 1889

64 - Letter Dated December 9, 1969 1893

65 - Memorandum 1894

71a-f - Checks 1896

72 - Statements 1902

Page

73A-J - Checks 1906

74A-C - Checks 1916

75A - Check 1919

75B - Invoice 1921

76 - Check 1922

78e - Proposal 1924

80a - Letter Dated April 13, 1970 1996

80a-2 - Modification of Lease 1997

81a-b - Check and Requisition for Check 2002

82 - Pincus Inc. Bills 2003

83 - Schedule 2013

84 - Letter 2019

85 - Letter dated March 17, 1970 2020

86 - Schedule 2021

87c - Phone Message, News Release and Form 2033

89 - Envelope 2036

3501 - Extract From Grand Jury Testimony of Hugh Deane 2037

3516 - Grand Jury Testimony of Bernard Shwidock ..2040

3517 - Grand Jury Testimony of Bernard Shwidock ..2042

3518 - Grand Jury Testimony of Bernard Shwidock ..2047

3519 - Grand Jury Testimony of Bernard Shwidock ..2049

3521 - Grand Jury Testimony of Bernard Shwidock ..2062

3545 - Grand Jury Testimony of John R. Hurley 2075

3569 - Grand Jury Testimony of Fred Paul Mazzeo ..2110

VOLUME IV

DEFENSE EXHIBITS

Defendant Cohen's Exhibits — Page

F - Letter Dated 3/5/69 2127

H - Letter 2128

R - Year End Report 2129

U - Letter Dated 12/24/69 2131

W - Letter Dated 3/16/70 2132

Z - Correspondence and Franchise Agreement 2133

AA - List 2154

EE - Letter Dated 5/18/70 2155

FF - List of Units Under Construction May 15,1970. 2158

SS - Letter Dated 5/30/74 2159

Defendant Duboff's Exhibits

B - Handwritten Statement 2160

K - Statement 2165

Y - Statement 2177

Defendant Deutsch Exhibits

A - Report of Richard Packing Co.....2191

N - Letter Dated 3/19/69 2201

SAS:bj
d-560
n-412

GOVERNMENT'S REQUESTS TO CHARGE

REQUEST NO. 27

Reliance on the Misrepresentations Not Required

It is not necessary for the Government to establish that any one relied on, or suffered damage as a consequence of, any false statements or omissions of material facts. It is enough that false statements or statements omitting material facts would be made in the expectation that they would be relied upon.

N. Sims Organ & Co. v. Securities and Exchange Commission, 293 F. 2d 78, 80 n. (2d Cir. 1961);

Hughes v. Securities and Exchange Commission, 174 F. 2d 969, 973-4 (D.C. Dir. 1949);

United States v. Brown, 79 F. 2d 321, 324 (2d Cir. 1935).

SAS:sr
n 412

REQUEST NO. 31

Conspirator's Responsibility
For Substantive Offenses

There is another alternative basis upon which you may find the three defendants who are named in the substantive counts guilty on each of the counts in which they are named even if you are not satisfied that as to a particular defendant each of the elements I have previously described has been proved beyond a reasonable doubt.

This alternative basis is as follows: If you find beyond a reasonable doubt that the substantive offenses alleged in these counts were committed by one or more members of the alleged conspiracy referred to in Count One, that one of the defendants was then a member of that conspiracy, and that the acts which constituted those offenses were done in furtherance of a portion of that conspiracy of which that defendant was a member, and that defendant might reasonably have foreseen that those acts would be done, then you may find that the defendant is guilty of the offenses alleged in the substantive counts in which he is named even though he did not otherwise personally participate in the acts constituting those offenses or did not have knowledge of them.

SAS:sr
n 412

REQUEST NO. _____ (cont'd) -2-

Pinkerton v. United States, 328 U.S. 640 (1946). United States v. Edwards, 366 F. 2d 853, 869 (2d Cir. 1966), United States v. Kellerman, 431 F.2d 319, 323 (2d Cir.), cert. denied, 91 S.Ct. 356 (1970), United States v. Arthur Cobb, 2d Cir. Decided August 12, 1971.

For example, if you find beyond a reasonable doubt that defendant Bernard Deutsch committed the substantive offense specified in Counts Two and Three and if you find that defendants Stanley Duboff and Bernard Deutsch were members of the alleged conspiracy, and if you find that the acts which constituted the offense in Count Two and Three were done in furtherance of the conspiracy of which Messrs. Duboff and Duboff are alleged to have been members and that he would have reasonably forseen such acts, then you may find that the defendant Duboff is guilty of the offenses alleged in Counts Two and Three even though he did not personally participate therein.

COHEN'S SUPPLEMENTAL REQUESTS TO CHARGE NO. 3

"I charge you with respect to Government Ex. 6 whith is the minutes of a board of directors meeting of Richard Packing Co. authorizing the issuance of stock options to persons who had rendered services to the company.

In that connection, you will note that one of the stock options was granted in favor of Harry Morginstin who testified in this case that he rendered no services to the company.

From all the evidence in this case, it is clear and you are bound to accept this from me, that Mr. Morginstin was a nominee for the defendant, Deutsch, who from the evidence had indeed rendered services to the company.

I charge you that there is nothing wrong or illegal as far as Mr. Cohen is concerned in the circumstance that Mr. Deutsch chose to take his stock opion in the name of his nominee, Mr. Morgenstin."

COHEN'S SUPPLEMENTAL REQUEST NO. 6

I charge you that after the last press release of Richard Packing Co. of 4/6/70 the Denver Funds according to G. X. 50 acquired only 3000 shares of Richard Packing Co. stock thus completing the last of their purchases.

I charge you further that there was no obligation on the part of Richard Packing Co. to issue any further press releases regardless of the company's situation. It was a sufficient compliance with legal requirements for the company to issue its annual reports to stockholders as it concededly did.

''COHEN'S SUPPLEMENTAL REQUEST No. 8

If you find that Morginstin and Harris were alter egos for Deutsch and Duboff you may not draw any adverse inference against Cohen for listing them as option holders in place of Deutsch and Duboff. Their roles were similar to the roles of Mrs. Deutsch and Mrs. Duboff who were also option holders; further Cohen did this on advice of counsel''

COHEN'S SUPPLEMENTAL REQUEST No. 9

I charge upon that there is no evidence in this case that Mr. Cohen inherited any money in the death of his father.

COHEN'S SUPPLEMENTAL REQUEST NO. 10

You may take into consideration in evaluating the situation at Richard Packing Co. v.s. a. vrs. the Funds Kelly's letter to the franchisees of 5/17/70 (Cohen's Ex. EE) as well as Hurley's knowledge expressed to Deutsch in February or March, 1970 that all was not well at Richard Packing (Tr. p. 1873) as well as the fact that the Funds kept on buying the shares.

DEFENDANT DUBOFF'S REQUESTS TO CHARGE

Request No. 1

Count One charges the defendants with having entered into a conspiracy to violate certain statutes of the United States particularly Sections 77Q, 77J, 77X, 78J(b), 77(ff), Rule 256(e) of the Securities and Exchange Commission and Section 1341 of Title 18. The indictment then sets forth in five paragraphs, Paragraphs 7 though 10, a general description of the nature of the conspiracy. Each of those paragraphs is intended to describe one of the violations of law which was a purpose of the conspiracy.

Paragraph 7 alleges that it was a part of the conspiracy that the defendants did knowingly, willfully and unlawfully use or cause to be used the mails to transmit false and misleading offering circulars. The offering circular has been introduced in evidence as part of Exhibit
It is the contention of the Government that there were five misrepresentations in that offering circular.

The Government contends that certain facts were not disclosed in the offering circular which the defendants were obligated by law to disclose, that those facts were material to a prospective purchaser (and I will explain to you shortly

what is meant by the word "Material") and that the failure to disclose that information was done knowingly, willfully and with a wro.gful intent. The facts which the Government claims were required to be disclosed and which were not disclosed are as follows:

1. That the offering of 10,000 shares was not being made to the public but was being made to accounts which were either controlled by defendants Deutsch and Duboff or to accounts in which they had a beneficial interest.

2. That defendants Deutsch and Duboff and co-conspirators Kelly, Andrews and Bradley and Bernard Shwidock were underwriters and were receiving compensation for being underwriters.

3. That although the offering circular stated that the proceeds would be determined by the market and could be as high as $300,000.00, in fact, at the time of the effective date of the offering which was March 11, 1969, a determination had already been made that the amount of the proceeds would be only $280,000.00.

4. That Richard Packing did not offer the shares for sale through solicitation by its directors, officers and employees as had been stated in the offering circular; and,

5. That defendants Deutsch and Duboff had received and were going to receive compensation for services in connection with the public offering.

Rule 256 provides for certain requirements to be complied with by a company seeking to sell its stock publicly. Among those requirements is the requirement that an offering circular stating certain information about the company and about the offering be provided to every purchaser of the stock. A schedule of information required to be included as part of the offering circular is made a part of the Rule. In so far as it is here pertinent, Rule 256 requires the offering circular to set forth the amount of securities being offered, the aggregate offering price, the aggregate underwriting discounts or commissions, the expenses of the issuer and/or the underwriter which are to be paid by the issuer and the proceeds to be received by the issuer. In addition, the issuer is required, if an offering is being made by or through under-

writers, to set forth the name and address of the underwriter.

In order to understand this charge, I must tell you something about public sale of securities. The Securities Act of 1933 was an Act by Congress for the purpose of protecting purchasers of securities and to insure that these purchasers had adequate information available to them about the company so that they could make an intelligent judgment in determining whether to purchase the securities. Thus, the Act provides, in so far as it is pertinent to this case, that where the company is proposing to sell no more than $300,000.00 worth of securities publicly, an offering circular must be filed with the SEC setting forth information about the company. If the securities are being sold privately, no such offering circular is required. Private sale has been defined by the Courts and in 1969 involved a sale to a very small number of sophisticated persons. Because of the difficulity of determining whether or not a private sale is involved, sales of securities are frequently registered with the SEC in order to be certain that the law has been complied with. Once securities have been registered with the SEC, they may be freely traded and resold. There is no obligation, however, that securities which are registered be made available to all members of the public.

In determining the guilt or innocence of the defendants in connection with this aspect of the conspiracy, you must determine the following:

1. Whether or not any information was omitted which the Government claims should have been included.

2. Whether or not there was any obligation to include any of the information which the Government claims was not included.

3. Whether each of the defendants knew that the information was required to be included.

4. Whether each of the defendants was aware of the fact that the information was not being included.

5. Whether the failure to include any such information was intentional and with a wrongful purpose in so far as each defendant is concerned, or whether such failure was the result of a lack of understanding or familiarity with the particular rules involved or was the result of accident or reliance on the guidance and advice of counsel.

Unless you find that one or more of the facts which the Government charges existed, did in fact exist, that a defendant knew of that fact, knew that it was required to be included in the offering circular, knew that it was not included in the offering circular, and was responsible for its exclusion from the offering circular with a willful and wrongful intention, you must acquit that defendant.

With regard to the first alleged omission, that is that the offering circular did NOT disclose that the securities were being offered to and purchased by accounts controlled by defendants Deutsch and Duboff or in which they had a beneficial interest, I charge you that there is no requirement in the Securities Law that such information be revealed and that, therefore, you are to ignore that allegation in your deliberations.

With respect to the second allegation, the Government contends that defendants Deutsch and Duboff and co-conspirators Kelly, Andrews & Bradley and Bernard Shwidock were underwriters and were receiving compensation as underwriters. An underwriter is one who participates in a material way in the sale and distributions of the securities. Defendants contend that Kelly, Andrews & Bradley was merely a billing agent since it was not rendering services in connection with the sale of

the securities. If you find beyond a reasonable doubt that Kelly, Andrews and Bradley was not merely a billing agent, then you must determine whether the exclusion of Kelly, Andrews and Bradley's name from the offering circular was a violation of law. The offering circular did state that brokers might be used to assist in the offering and that they might receive compensation. Thus, there was no impropriety in the fact that Kelly, Andrews and Bradley assisted in any manner. However, the offering circular also provided that the issuer would amend the offering circular if an underwriter was used.

The testimony established that Mr. Malmon, counsel for Richard Packing Company, was advised that Kelly, Andrews and Bradley was involved in the offering but never asked what its role was and forgot to file an amendment referring to Kelly, Andrews and Bradley.

Unless you find beyond a reasonable doubt that Mr. Malmon was lying and that, in fact, the defendants were responsible for willfully omitting this information, you may not consider this aspect of the case in determining the defendants guilt.

In so far as co-conspirator Bernard Shwidock is concerned, I charge you that since he was acting as an employee

of Kelly, Andrews and Bradley, he is not an underwriter and his name did not have to be disclosed.

In so far as defendants Deutsch and Duboff are concerned, you have heard the testimony including the testimony of Mrs. Appelton for the Government and Mr. for the defendants indicating different opinions as to who is an underwriter. The evidence did establish that Deutsch assisted in selling the stock to the Denver Funds. He did not, however, receive any compensation for his assistance.

You must find beyond a reasonable doubt that Deutsch was an underwriter, that defendants knew that he was an underwriter, that they were responsible for the failure to refer to him in the offering circular or in any amendment, and that they acted willfully or with a wrongful purpose in excluding his name. In determining whether or not any of the persons which the Government contends were underwriters should have been identified in the prospectus so that their failure to do so makes the prospectus false and misleading, you must determine whether or not the identity of those persons was a material fact which would have influenced a purchaser. There is no evidence that Duboff acted as an underwriter.

With respect to the third fact which was allegedly omitted, that is, that the defendants falsely stated in the offering circular that the proceeds could be as high as $300,000.00, when in fact they already determined them at $280,000.00, I charge you that the evidence in the record is insufficient to support this allegation.

With respect to the fourth allegation, I charge you that there is no evidence in the record to establish that at the time of the effective date of the prospectus, it was not the intention of Richard Packing Company to offer the sales through solitation of its directors, officers and employees.

With respect to the fifth allegation, I charge you that there is no evidence in the record to establish that at the time the offering circular became effective, defendants Deutsch and Duboff had received any compensation or there was any intention that they would receive any compensation.

In substance, therefore, in order to find that defendants conspired to mail a false offering circular, you must find beyond a reasonable doubt that Kelly, Andrews and Bradley and/or Deutsch were underwriters and that their

identity in the prospectus was a material fact and that the failure to include any reference to them was done willfully and knowingly and for a wrongful purpose rather than by accident or in the honest belief that such information was required to be included.

Request No. 2

Defendants have not been charged with fraudulently causing anyone to buy stock of Richard Packing Co., Inc. by making false representations about the business of Richard Packing Co. The only purpose for which evidence about such representations was admitted was to establish that defendants used misrepresentations to induce the mutual funds in Denver, Colorado to purchase Richard Packing Co. stock in order to manipulate the price of the stock. You are therefore to consider this evidence only in determining whether or not this was the method by which the defendants engaged in a manipulation of the stock.

Request No. 3

In order to find that these defendants conspired to manipulate the price of the stock of Richard Packing Co., you must find that the Government has proved the existence of each of the following elements of the Government's case beyond a reasonable doubt:

1. That representations were made to John Hurley, Robert Anton or other persons connected with the Denver Funds which were false. In this connection, you are instructed to disregard any testimony with respect to projected earnings since such projections, being merely predictions or hopes for the future cannot be deemed to be misrepresentations.

2. That each of the defendants either made the misrepresentations, caused them to be made or in the case of defendant Duboff, as to whom there was no testimony in connection with alleged misrepresentations, that he knew that false representations were being made and conspired to benefit from their having been made.

3. That as to each of the defendants, he knew that such representations were false. If you find that any defendant relied in good faith on information received from the Company, then you cannot find that he knew that the representations were false.

4. That any misrepresentations were made for the purpose of inducing the Denver Funds to participate in a stock manipulation. If you find that these representations were made merely for the purpose of getting the Denver Funds to buy stock so that commissions would be earned, then I charge you that the Government has not proven its case.

5. That there was an agreement between one or more of the defendants and one or more representatives of the Denver Funds to buy a large portion of the outstanding stock in order to create a shortage and thereby raise the price of the stock. If you find that the decision or idea to buy large quantities of stock in order to raise the price was made by the Denver Funds without the participation of any defendant, then you must acquit that defendant. It is not enough to establish participation by a defendant in a manipulation merely

to establish that he should have known that a manipulation was taking place or that he may have profited in the form of commissions or otherwise from the fact of such a manipulation.

I further charge you that the fact that the Fund purchased a large portion of the outstanding stock does not in and of itself constitute a manipulation. A manipulation can be said to occur only if the purpose of the purchasing by the Fund was to drive the price of the stock up in order to cause others to buy the stock. If the Fund purchased large quantities of stock because it felt that such stock would be worth substantially more in the future, then I charge you that there was no manipulation.

COURT'S EXHIBIT 1 -- Block's Note to Court

4/24/61

There is no charge in indictment about misrepresentations to Denver Funds — Accordingly I ask that those remarks be stricken and that a mistrial be granted.

Jack Block

S. E. Orena

Court

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
NOV 24 1964

ONLY COPY AVAILABLE

/id

COURT'S EXHIBIT 2 -- Segal's Note to Court

Your Honor -

1.) I would respectfully move for a Mistrial based on the Opening Statement

2) I would respectfully move for a mistrial based on fact that the Court's opening brief delineated a case that is not charged in the Indictment or in the Bill of Particulars.

Respectfully,
Lenore B Segal

Court's
U.S. COURT
S.D. OF N.Y.
APR 24 1974
2:10

ONLY COPY AVAILABLE

1747

Govts Ex 2

GOV[illegible]S EXHIBIT 2 -- Memorandum

TO: Mr. Ar[illegible]rd

February 5, 1969

FROM: Gerald C[illegible]ara

SUBJECT: Buy Recommendation

Security Name:	Richard Packing	V.L. Ranks:	None
Transaction:	Buy	Where Traded:	O-T-C
Method:	Private Placement	Price Chart Ref:	None Available
Quantity:	50,000 Shares @ 28 - $1.4 million		
Total Shs:	450,000 Outstanding, 100,000 floating		
For:	DCF or Special Fund		
Current Price:	35		

As the enclosed recent Wall Street Journal article testifies, the market for drive-in franchise stocks has been exceptionally good in recent years. I have uncovered such a franchise company which is just beginning and is making an auspicious start.

Richard Packing was a lacklustre meat packer which decided that the franchise drive-in business offered an ideal customer for its meat. The company is now entering the field of franchising in a professional manner. It hired an expert in the field to form a separate marketing organization and gave him an equity interest. It then sought investment banking for the project and secured Jaffe & Co., who are now behind the company. The marketing organization prepared the package for the franchisee, created the design for the outlet, and set up a national selling and real estate network. Only last week the company began to advertise for its initial franchisees. The response has been very good. The company also had a large number of units sold before its initial advertising began, of which Jaffe & Co. sold a significant portion. The company now expects to have at least 150 units operating by the end of this year.

The unit package appears to offer a solid profit to both the company and the franchisee. Richard Packing will benefit as the franchiser and as the lessor of the equipment and real estate and as the major meat supplier. As the franchisor, an initial fee paid by the franchisee is the chief source of income; as the lessor, the financing of the equipment in the unit's operation will generate a stepping-stone type of income annually over the life of the drive-in. As the meat supplier, Richard Packing cannot legally contract to supply the meat but expects to obtain most of the business so generated anyway.

The field promises rapid growth for Richard Packing as virtually all of its competitors in franchising have experienced and continue to do so. A brochure picturing the company's units is enclosed. McDonalds and Kentucky Fried Chicken have several thousand units now in operation. Richard Packing without the drive-in franchising business is of little interest. Based on projected plans for 1969, the company expects to earn $3.00 a share this year and to double this figure in 1970. Management has ambitious growth plans for the long range.

The stock market has already placed a high price on the issue reflecting its favorable expectations of the company. Richard Packing earning only 25¢ a share last year as a meat packer alone. Jaffe & Co. is solidly behind the stock. We are offered 50,000 shares of the equity at a net price of 28, ($1.4 million) which is 20% off the current market price. It will be 10% of the then 500,000 shares outstanding. The two Cohen brothers own 350,000 shares; they are the two principal officers of the company. If we do not want the entire amount, Jaffe & Co. will place it elsewhere. They want our answer by early next week. I recommend we take the whole package or at least part of it. Jaffe & Co. gave us Combustion Equipment recently. We are buying 22,000 shares of that stock at 32 and its current price is 62 and we have not yet closed the deal. In view of this firm's backing of Richard Packing and the ready market acceptance of these drive-in franchise stocks, and the promising beginning of the company. I think we will see a rapid rise in the price of this equity, especially with the small floating supply of the company.

G. P. O.

Cools Ex 4

1749

GOVT. EXHIBIT 4 -- Letter dated March 17, 1970

790 SOUTH CLEVELAND AVENUE • ST. PAUL, MINN. 55116 • (612) 699-1376

March 17, 1970

Valu Line Investment Service
5 E. 44th St.
New York, N. Y.
Mr. Gerald O'Meara

Dear Gerald,

Nice to speak with you yesterday. As per our conversation I am enclosing some pertinent facts about our operation mailed in the chronological order in which they occured. As of February 3rd we had sold sixty (60) franchises. As of February 19th we had sold one hundred (100) franchises and of March 4th we had gone to two hundred (200) franchises. I have also enclosed a description of the type and stature of our franchisees.

Will drop you another note on some world wide plans we have on Dune Buggys and our Boat program. Hope to see you soon.

Sincerely,

Milton Cohen

Milton Cohen

MC/gs
Encl.

GOVT. EXH. 5B -- Offering Circular

Ex 5B

OFFERING CIRCULAR

RICHARD PACKING CO.

10,000 COMMON SHARES
(PAR VALUE $.10 PER SHARE)

THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION. THE COMMISSION DOES NOT PASS UPON THE MERITS OF ANY SECURITIES NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING CIRCULAR OR OTHER SELLING LITERATURE.

Reference is made to the material under "Introductory Statement" for a statement of the speculative features of this offering.

	Offering Price to Public (1)	Maximum Dealer Concession	Proceeds to Company (2) (3)
Per Share	At market	$ 1.00	Net at market
Total	$300,000.00	$10,000.00	$290,000.00

(1) The Company's common shares are traded in the over-the-counter market. As reported by the Minnesota broker-dealers who make a market in the stock, and who are members of the National Association of Securities Dealers, Inc., during the year 1967 the high and low bid prices were 4½ and 4⅛, respectively, and the high and low asked prices were 4⅞ and 4⅜, respectively; during the year 1968 the high and low bid prices were 35¼ and 4⅜, respectively, and the high and low asked prices were 38¼ and 4¾, respectively. The bid and asked prices on December 6, 1968, according to the same source, were 28 and 31, respectively. Trading in the Company's common shares has been only moderately active and there is no assurance that any given number of shares could have been purchased or sold at the prices indicated. The above stated offering price is only an estimate of the price for which the shares will be sold. The actual price will depend upon the market price of the shares at the time of sale. Thus, the actual total sales price could be less than $300,000.00, but it cannot exceed $300,000.00. If the total selling price of the shares reaches $300,000.00 before all 10,000 shares have been sold, no further shares will be sold and under no circumstances will more than 10,000 shares be sold.

(2) The offering is not underwritten, and the Company proposes to offer the shares through solicitation in the states where such solicitation is permitted by its directors, officers and employees who will receive no commission for such sales. The shares may also be offered through certain securities dealers who are members of the National Association of Securities Dealers, Inc. who will not be under any obligation to subscribe. The dealer concession will be paid only to such securities dealers which obtain subscriptions for any of the shares. To the extent that shares are not sold through securities dealers, the total amount of the dealer concession will be reduced. There can be no assurance that any or all of the shares being offered will be sold. Any participating securities dealer may be deemed to be an "underwriter" within the meaning of the Securities Act of 1933, as amended.

(3) Before deducting expenses of the Company estimated at $7,500.00.

RICHARD PACKING CO.
1523 North Concord
South St. Paul, Minnesota 55075

The date of this Offering Circular is March 11, 1969.

RICHARD PACKING CO.

THE COMPANY

Richard Packing Co. (herein usually called the "Company") processes and sells meat and meat products at wholesale to supermarket chains, grocery store distributors and companies who redistribute to drive-in restaurants, and occasionally to other restaurants. It is also in the business of franchising drive-in and walk-in restaurants. Its office and principal manufacturing facilities are located at 1523 North Concord, South St. Paul, Minnesota.

INTRODUCTORY STATEMENT

The common stock of the Company being offered hereby is speculative and the prospective investor should be advised that there is no assurance that operations will be profitable. The authorized capital stock of the Company consists of 1,000,000 shares of common stock with a par value of $.10 per share. Prior to this public offering, Milton J. Cohen and Harvey D. Cohen owned 369,000 shares of the common stock of the Company out of a total of 476,800 shares issued and outstanding and thus controlled the Company. There were 100,000 shares of the Company owned by the public pursuant to a previous securities offering. At October 31, 1968, the book value per share based upon 476,800 common shares outstanding was $.79. Assuming that all of the 10,000 shares offered hereby are sold at a market price of $30.00 per share, the book value of 486,800 shares then to be outstanding will be $1.36 per share.

Based upon the assumed selling price of $30.00 per share, the increase in the book value of the shares of officers, directors and promoters will be approximately $217,000.00, such increase having been contributed by persons subscribing to this offering. Persons subscribing to this offering will have paid a total of approximately $300,000.00 for stock having a total book value of approximately $14,000.00. Public investors in this offering will have paid approximately $30.00 per share for each share of common stock having a book value per share of $1.36. The public investors will have paid a total of $300,000.00 for shares having a book value of approximately $14,000.00 or a net dilution in value of $286,000.00. If all of the shares being offered are sold, the common stock owned by officers, directors and promoters of the Company (assuming no changes in present holdings) will represent approximately 76 per cent of the outstanding common stock while shares in the hands of the public, including the shares offered hereby will constitute approximately 24 per cent of the outstanding common stock. Voting is non-cumulative which means that the holders of more than 50 per cent of the shares voting for election of directors can elect all of the directors. (See Page 9 herein.)

In addition, there are warrants and stock options outstanding to purchase 41,200 shares of the Company's common stock. (See "Stock Options and Warrants" Page 9.) If all of said warrants are exercised, the public investors will own approximately 21 per cent of the total outstanding common stock.

Milton J. Cohen and Harvey D. Cohen are also receiving compensation for their services and have entered into written employment agreements with the Company. (See "Remuneration of Directors and Officers," Page 8.)

The by-laws of the Company contain a provision, as authorized by the statutes of Minnesota, for the indemnification of the Company's directors and officers against liability which they may incur in their capacities as such. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing provisions or otherwise, the Company has been advised that in the opinion of the Securities and Exchange Commission

such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being offered hereby, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

OFFERING PLAN

The Company, as issuer, is hereby offering to the public 10,000 shares of its common capital stock, par value $.10 per share, at its market price on the date of sale which is estimated to be $30.00 per share. It is anticipated that the stock will be sold to the public by directors, officers and employees of the Company and may also be sold through certain securities dealers who are members of the National Association of Securities Dealers, Inc. who will not be under any obligation to subscribe. A maximum dealer concession of $1.00 per share will be paid to such securities dealers through whom subscriptions are obtained. In the event that brokers or securities dealers are employed, the Company's notification statement and Offering Circular will be promptly amended to furnish additional information. To the extent that shares are sold directly by directors, officers and employees and not through securities dealers, all of the proceeds will be retained by the Company and no dealer concessions will be paid. The price stated on the cover page is an estimate of the price for which the shares will be sold. The actual price will depend upon the market price of the shares at the time of sale. Thus, the actual total sales price of the shares could be less than $300,000.00, but cannot exceed $300,000.00. If the total selling price for the shares reaches $300,000.00 before all 10,000 shares offered hereby are sold, no further shares will be sold. Under no circumstances, however (regardless of the actual sales price), will more than 10,000 shares be sold. Shares will be sold for cash only. There is no provision for installment sales. In the event that the entire offering is sold through securities dealers, the proceeds from the sale of this issue, before deduction of expenses, will be approximately $290,000.00. However, to the extent that no dealer concessions are paid, the proceeds to the Company will be increased. From the proceeds the Company will pay its expenses in connection with this offering, including legal and accounting fees.

The Company has no assurance that all or any part of the stock offered will be subscribed for, and no persons or groups of persons are under any obligation to purchase any portion of the stock. In the event that less than all of the shares are subscribed, funds received from subscriptions shall be applied to corporate purposes as described hereunder under "Application of Proceeds."

In addition to the 10,000 shares hereby offered to the public, options and warrants have been granted and are presently outstanding to purchase 41,200 shares of the Company's common stock under the terms and at the prices described herein under "Stock Options and Warrants."

PRICE RANGE OF COMMON STOCK

The common stock of the Company has been traded in the over-the-counter market since it was first offered to the public on October 3, 1967 at a price of $2.25 per share. The following table shows the range of daily high bid prices for the respective periods indi-

cated as reported by Minnesota broker-dealers who make a market in the stock who are members of the National Association of Securities Dealers, Inc. Such prices represent quotations between dealers and do not include markup, markdown or commissions.

Period	High Bid	High Asked	Low Bid	Low Asked
1967 October 3 - December 31	4½	4⅞	2⅛	2½
1968 First quarter	5⅝	6	4⅜	4¾
Second quarter	22½	25½	5	5⅜
Third quarter	30	34	17	20
October 1 - December 6	35¼	38¼	28	31

On December 3, 1968 the highest reported bid price for the common stock in the over-the-counter market was $30.00.

HISTORY AND BUSINESS

Richard Packing Co. was incorporated under the laws of the State of Minnesota on July 19, 1967. On July 19, 1967, all of the assets, business and goodwill of Richard Packing Company, a co-partnership consisting of Milton J. Cohen and Harvey D. Cohen, were transferred to Richard Packing Co. in exchange for 375,000 shares of its common stock. The transfer was made retroactive to July 1, 1967. The predecessor of the Company began operation in 1961 as an individual proprietorship under the direction and ownership of Milton J. Cohen. On January 1, 1967, a partnership was formed consisting of Milton J. Cohen and Harvey D. Cohen. Harvey D. Cohen contributed $29,000.00 to the partnership for a 50 per cent interest in the partnership and Milton J. Cohen contributed the assets and goodwill of Richard Packing Company, a sole proprietorship, for a 50 per cent interest. The Company operated as a co-partnership for the first six months of 1967. The Company has since its inception been engaged in the business of processing and selling meat and meat products at wholesale to supermarket chains, grocery store distributors and companies who redistribute to drive-in restaurants, and occasionally to other restaurants. The Company has recently entered the field of franchising drive-in and walk-in restaurants.

Products and Marketing

The Company processes frozen beef patties in various sizes for sale to drive-in restaurants and others. In addition, as and when the Company's franchised drive-in and walk-in restaurants' operations are commenced, the Company intends to expand its product line to include chicken, onion rings, fish patties and shrimp. All products other than meat products will be purchased from other processors using the Company's private label and will require no processing by the Company.

In the fiscal year ended June 30, 1968, the Company sold to more than 35 different customers. The sales to the Company's largest customer accounted for slightly less than 20 per cent of the Company's business in the fiscal year ended June 30, 1968. No other customer accounted for more than 5 per cent of the Company's business. There is no continuing agreement, written or otherwise, with the Company's largest customer and there is no assurance that these sales will continue.

The Company's sales area presently includes Minnesota, Wisconsin, Illinois, Iowa, Kansas, Missouri and New York. In the states of Minnesota and Wisconsin, the Company sells directly to food distributors (who in turn service the drive-in restaurants and supermarkets in their area) and the Company also has sales agents in those two states who directly solicit sales from prospective supermarket and drive-in restaurant customers. In

Iowa, North Dakota, South Dakota and Illinois the Company sells directly to food distributors (who in turn service the drive-in restaurants and supermarkets in their area) and the Company has no sales agents in those states. To service the states of Kansas and Missouri, the Company has a sales agent in Kansas City, Missouri, who solicits sales from distributors in those two states (who in turn service the drive-in restaurants and supermarkets in their area). The Company has only one customer in the State of New York which it services directly, and the Company has no sales agent in the State of New York. While the sales pattern of the Company and its predecessor to date indicates no significant seasonal variation, the portion of the Company's sales volume sold to the companies who redistribute to the drive-in restaurant industry would seem to indicate a slowdown of sales in the colder months of the year.

Proposed Future Operations

Drive-In and Walk-In Restaurants

On September 26, 1968, Richard Packing Co. entered into an agreement with Status Marketing Corporation, a New York corporation engaged in the business of providing custom franchise marketing programs and serving as franchise sales representative. The agreement provides that Status Marketing Corporation will create a franchise program and act as exclusive world-wide franchise sales representative to create and sell the following:

(a) A standard type drive-in seating 56 people;
(b) A small town drive-in seating 30 people; and
(c) A walk-in type restaurant.

In addition, Status Marketing Corporation will provide marketing surveys, plans and specifications for building, sign, exterior and interior design and will supervise the printing of a franchise brochure. The contract with Status Marketing Corporation calls for a payment of $37,000.00 of which approximately $27,750.00 has been paid to date by the Company. Upon completion of the franchise program, management intends to build a prototype drive-in restaurant which the Company will own and operate. Management intends to sell franchises on a restaurant by restaurant basis. However, it is also possible that franchises for individual states or specific areas will be sold. There is no assurance that a saleable program will be designed or that franchises can be sold. Management has been negotiating leases for sites in California and New York. However, no leases have been signed to this date. Management expects that the first drive-in will be completed and operating by March 31, 1969.

The walk-in restaurant concept will be pursued only after the drive-in program is well underway. A walk-in restaurant (as opposed to a drive-in restaurant) would be located in a shopping center area where independent parking facilities are not required. A walk-in restaurant would require less restaurant space. Management intends to build a prototype walk-in restaurant in the Minneapolis or St. Paul, Minnesota, area which restaurant will be owned and operated by the Company. Several sites are presently under consideration but no leases have been signed to this date.

Management anticipates that it will cost approximately $25,000.00 to complete the franchise program including art work and printing of the franchise brochure. In addition, it will cost approximately $80,000.00 to build and equip a prototype drive-in restaurant. In addition, management estimates that it will cost approximately $37,500.00 to build and equip a prototype walk-in restaurant. (See "Application of Proceeds," Page 7.)

It is the intention of management to offer its restaurant franchisees the opportunity to buy foodstuffs from the Company. Management believes that this could be an important source of additional business for the frozen beef patties and other food products of the Company. There is no assurance that a franchisee will decide to buy all or any foodstuffs from the Company.

On September 12, 1968, the Company formed a wholly owned subsidiary, Richard Franchise Investment, Inc., and purchased 400,000 shares of its common stock and paid $.01 per share in cash or a total consideration of $4,000.00. Thus, at October 31, 1968, Richard Franchise Investment, Inc. was a wholly owned subsidiary of Richard Packing Co. It is intended that Richard Franchise Investment, Inc. will acquire land suitable for drive-in and walk-in restaurants, build restaurant buildings and lease the buildings to franchisees of Richard Packing Co. Richard Franchise Investment, Inc. also intends to assist franchisees of Richard Packing Co. in financing their restaurant fixtures and equipment.

There is presently in registration with the United States Securities and Exchange Commission a proposed public offering by Richard Franchise Investment, Inc. of 4,000 units (each unit consisting of 40 common shares, $250 principal amount of convertible subordinated debentures and a warrant for the purchase of 25 common shares, each common share having a par value of $.01). If all of the units are sold, Richard Franchise Investment, Inc. will receive approximately $2,000,000.00 in cash and will have outstanding 560,000 shares of common stock, convertible debentures having a principal amount of $1,000,000.00 (convertible into 200,000 shares of common stocks) and warrants to purchase 100,000 shares of common stock. In addition, warrants to purchase up to a maximum of 40,000 shares of common stock may be issued to dealers who obtain subscriptions for the units. If all debentures are converted and all warrants are exercised, the Company would own 400,000 shares of Richard Franchise Investment, Inc. common stock out of a total of 900,000 shares outstanding or 44.4 per cent.

The preceding statements relating to Richard Franchise Investment, Inc. units are summaries and do not purport to be complete. All of the provisions relating to the Richard Franchise Investment, Inc. units are included in the Registration Statement and Prospectus filed with the Securities and Exchange Commission, and reference is made to the Registration Statement and Prospectus for a fuller explanation.

Processing

All of the Company's products are processed in its plant at South St. Paul, Minnesota. The Company purchases better grade cuts of meat for its own boning operation. The meat is ground, molded into patties, blast frozen and packed. Certain products are Cry-ovac sealed (air evacuated from package) to enhance freshness and longer shelf life. The Company's plant is located near one of the world's largest meat packing centers, which provides a fresh supply of high quality meat products.

Competition

There are many companies in the same or similar business as the Company, some of them much larger than the Company. Because of the constant development of new products and processes, new packaging methods and the absence of complete and accurate industry figures, it is difficult to ascertain the Company's competitive position. However, larger companies have larger resources available for research and development which could put them in a better competitive position than the Company.

Employees

As of October 31, 1968, the Company had 14 full-time and 2 part-time employees, exclusive of management, 15 of which are production workers and 1 clerical employee. Most of the Company's employees are men who reside in and around South St. Paul, Min-

nesota. Management believes that there is a sufficient pool of manpower in the South St. Paul area to meet the Company's anticipated needs. The Company has enjoyed satisfactory relations with its employees.

Property

The Company's plant and offices are located in a one-story cement block building containing approximately 4,000 square feet on a 25,000 square foot site at 1523 North Concord, South St. Paul, Minnesota. The Company occupies the facility under a lease which expires October 7, 1971 at an annual rental of $6,500.00 plus payment of real estate taxes. The lease contains successively a five-year renewal option at a rental of $7,800.00 per year, and an additional five-year renewal option at a rental of $9,360.00 per year. If all the renewal options are exercised, the lease would expire on October 7, 1981. Real estate taxes for 1968 amounted to approximately $1,500.00. The Company has leased 900 square feet of space for its franchise sales office on a month-to month basis at Ford Parkway and Cleveland Avenue, St. Paul, Minnesota, at a monthly rental of $100.00 including heat, light, power and air-conditioning. The office space is rented from Highland Shopping Center, Inc., a corporation controlled by the family of Milton J. Cohen and Harvey D. Cohen. The lease is at a very favorable rental in comparison with comparable space. Other than as set forth above, none of the promoters, officers or directors have any interest directly or indirectly in the real estate leased by the Company.

The Company presently owns equipment consisting principally of grinders, mixers, Holy-matic forming machines, Cry-ovac machines, packaging machines, loading devices, air compressor systems, blast freezing equipment, ammonia freezing equipment, automatic conveyor belt system, a refrigerated truck with 10,000 pound capacity and miscellaneous office equipment. All of this equipment is pledged to the Highland Park State Bank of St. Paul, Minnesota, to secure a note payable of the Company. (See Balance Sheet on page 11.)

APPLICATION OF PROCEEDS

Assuming all of the shares offered hereby are sold at the price on the cover page, the net proceeds to the Company will be approximately $282,500.00 after deducting expenses in the estimated amount of $7,500.00. Management anticipates that these proceeds will be used for the following purposes in the order of priority shown:

To complete development of drive-in restaurant program including architectural plans and specifications for prototype drive-in restaurant; preparation of franchise brochure, including cost of rough and finished art work, photographs, and printing brochure in color	$ 25,000.00
To build and equip prototype drive-in restaurant	$ 80,000.00
Advertising and other expenses involved in obtaining franchisees	$ 20,000.00
Expenses of supervising construction of restaurants and otherwise aiding franchisees in opening drive-in restaurants	$ 60,000.00
Expenses of grand opening celebrations including television, newspaper and other advertising	$ 60,000.00
To build and equip prototype walk-in restaurant	$ 37,500.00
	$282,500.00

Funds not immediately needed for the above purposes will be placed in an FDIC insured bank or in government securities.

REMUNERATION OF DIRECTORS AND OFFICERS

On August 15, 1967, the Company entered into an employment agreement with Milton J. Cohen and Harvey D. Cohen for a term of two years at an annual remuneration of $25,000.00 each. (See page 2 herein.) The employment contract further provides that the $25,000.00 annual remuneration will continue after the two-year period until such time as it is changed by the board of directors. No other officer or director receives any salary. Alvin S. Malmon is a member of the law firm of Feinberg, Mirviss, Meyers, Schumacher & Malmon, which serves as the Company's legal counsel, and as such receives from time to time fees for legal services rendered. (See "Stock Options and Warrants," Page 9.) The Company has no other written employment agreements with any of its employees.

MANAGEMENT AND STOCK OWNERSHIP

The directors, officers, promoters and shareholders of the Company are:

Name and Address	Title	Common Shares Owned (1)	Percentage of Class
Milton J. Cohen 740 River Drive St. Paul, Minnesota	President and Director	184,500	38%
Harvey D. Cohen 710 Sumner St. Paul, Minnesota	Secretary-Treasurer and Director	184,500	38%
Joseph A. Cohen 740 River Drive St. Paul, Minnesota	Chairman of the Board and Director	None	—0—
Richard E. Stevenson 1834 Highland Parkway St. Paul, Minnesota	Director	None	—0—
Alvin S. Malmon 115 Hennepin Avenue Minneapolis, Minnesota	Director	1,500 (1) (2)	0.3%

(1) See "Stock Options and Warrants" herein. Except as set forth in Note (2) below, all shareholders are record and beneficial owners of the stock.

(2) Alvin S. Malmon as a partner in the law firm of Feinberg, Mirviss, Meyers, Schumacher & Malmon is the beneficial owner of a portion of 1,500 shares owned by the law firm.

Milton J. Cohen is the founder of the Company and its president, general manager and director. Prior to commencing the business which was the predecessor of the Company, he had over 20 years of experience in the retail supermarket business. Harvey D. Cohen is secretary-treasurer of the Company and one of its directors. Prior to joining the predecessor of the Company, he had 20 years experience in the retail supermarket business. Joseph A. Cohen serves the Company in an advisory capacity and has over 45 years experience both in the retail supermarket business and as a real estate developer and investor. Richard E. Stevenson is a director of the Company and is senior vice-president of the Highland Park State Bank, St. Paul, Minnesota. Alvin S. Malmon is a director of the Company and serves as its legal counsel. He is an attorney at law admitted to practice in the State of Minnesota, and is a member of the law firm of Feinberg, Mirviss, Meyers, Schumacher & Malmon.

CAPITALIZATION AND DESCRIPTION OF SECURITIES

The capitalization of the Company, assuming all shares offered hereby are sold, will be as follows:

Title of Class	Amount Authorized	Amount Presently Outstanding	Amount to Be Outstanding
Common	1,000,000 shares (1)	476,800 shares	486,800 shares

(1) 73,200 shares are reserved for anticipated future issuance under stock options and warrants. Options and warrants to purchase 44,200 shares are presently outstanding. (See "Stock Options and Warrants" herein.)

All of the outstanding common stock is, and upon receipt by the Company of the purchase price therefor the offered shares of common stock will be, fully paid and non-assessable. Each holder of common stock is entitled to one vote for each share held. Voting is non-cumulative which means that the holders of more than 50 per cent of the shares voting for election of directors can elect all of the directors. In such event the holders of the remaining shares would not be able to elect any person or persons to the board of directors. (See page 2 herein.) Shareholders have no pre-emptive rights with respect to any future issues of presently authorized common stock.

The common stock has no conversion rights, is not redeemable and there are no sinking fund provisions therefor. In the event of liquidation, the entire net assets of the Company available for distribution to shareholders after payment of liabilities will be distributed pro rata to holders of the Company's capital stock.

TRANSFER AGENT

The Northwestern National Bank of Minneapolis, Seventh Street and Marquette Avenue, Minneapolis, Minnesota, is transfer agent and registrar of the Company's stock.

STOCK OPTIONS AND WARRANTS

75,000 shares of common stock were reserved for issuance pursuant to a plan adopted by the board of directors to grant stock options and warrants to key employees of the Company and persons who have rendered valuable services to the Company. To the date of this offering circular, options and warrants have been granted to purchase 46,000 shares of the Company's common stock. To date, 1,800 shares have been issued pursuant to exercise of options and warrants and options and warrants to purchase 44,200 shares remain outstanding. None of these options and warrants have been issued to Milton J. Cohen or Harvey D. Cohen and no options will be granted to them under this plan. Options and warrants presently outstanding are summarized below:

Number of Shares Under Option or Warrant	Date Granted	Purchase Price	Date Exercisable	Expiration Date
2,500	10- 3-67	$ 2.25	Immediately	10-3-72
9,700 (1)	10-10-67	$ 2.25	Immediately	10-7-72
12,000 (2)	9-10-68	$ 6.00	3-10-69	9-9-71
20,000	9-10-68	$15.00	3-10-69	9-9-71

(1) 5,000 of which have been issued to Alvin S. Malmon, a director of the Company.

(2) 1,000 of which have been issued to Alvin S. Malmon, a director of the Company.

In the event of a stock s lit or reverse stock split, the number of shares then under options or warrants will be adjusted proportionately. In the event of any stock dividends or other dividends (other than cash dividends) prior to the time the warrants are exercised, the holders of the warrants, upon exercise, will be entitled to receive such dividends as if they had been a stockholder of record on the record date for issuance of such dividends. There is no understanding between the Company and the persons holding the warrants, nor any such intention by the Company, that in the event of a decline in the value of the shares underlying the warrants, such warrants may be cancelled by agreement and new warrants granted with different terms, including a price based upon the then current market value. During the term of the warrants presently issued and options to be granted by the Company, the parties holding the options and warrants will have the opportunity to profit from any rise in the market value of the Company's stock at the expense of other stockholders. In addition, the Company may find it more difficult to procure additional capital if it should be needed for its business, because of the outstanding options and warrants. It is also possible that the Company would be able to obtain additional equity capital by a sale of its stock on terms more favorable than those provided in the options and warrants at any time that the persons holding said options and warrants might choose to exercise them.

UNDERWRITING

The Company had not entered into any underwriting agreement for the sale of its securities as of the date of this Offering Circular. However, any participating securities dealer may be deemed to be an underwriter within the meaning of the Securities Act of 1933. The Company will indemnify each securities dealer who obtains subscriptions against certain liabilities under the Securities Act of 1933, as amended.

LITIGATION

There is no litigation pending, threatened or known against the Company.

LEGAL OPINIONS

Legal matters in connection with the shares of common stock offered hereby will be passed upon for the Company by Messrs. Feinberg, Mirviss, Meyers, Schumacher & Malmon, 115 Hennepin Avenue, Minneapolis, Minnesota.

ANNUAL REPORTS

It is the intention of management of the Company to provide its shareholders with audited financial statements not less frequently than annually.

RICHARD PACKING CO.
BALANCE SHEET, as at October 31, 1968

(Unaudited)

ASSETS

Current assets:		
Cash (including bank time deposits of $55,794)		$ 65,388
Marketable securities, at cost (market value $62,000)		58,529
Accounts receivable, trade (Note G)	$174,840	
Accounts receivable, other	4,332	179,172
Meat inventory (Note B)		47,533
Supplies inventory		9,220
Total current assets		359,842
Equipment and improvements, at cost:		
Equipment (pledged on note payable)	116,112	
Vehicles	13,535	
Leasehold improvements	1,471	
	131,118	
Less, Accumulated depreciation and amortization (Note D)	42,462	88,656
Deferred charge (Note F)		34,610
Investment in Richard Franchise Investment, Inc. at cost (Note K)		4,000
Organization expense, net of amortization of $1,853 (Note H)		5,101
Total assets		$492,239

LIABILITIES

Current liabilities:		
Accounts payable, trade		$ 8,731
Payroll taxes withheld and accrued		2,023
Accrued payroll		499
Current maturity of note payable		4,800
Accrued corporate income taxes		63,278
Total current liabilities		79,331
Note payable to bank, 6% payable $100 per month plus interest (with equipment pledged as collateral)	27,799	
Less, Amount due within one year included above	4,800	22,999
Deferred income tax (Note D)		10,900
Commitment and contingent liabilities (Notes E and I)		
Total liabilities		113,230

STOCKHOLDERS' EQUITY (Note A)

Common stock, par value $.10 per share, authorized 1,000,000 shares; issued 476,800 shares (Note C)	47,680
Capital contributed in excess of par value of common stock	219,651
Retained earnings	111,678
Total stockholders' equity	379,009
Total liabilities and stockholders' equity	$492,239

STATEMENT OF EARNINGS
for the year ended December 31, 1966,
six months ended June 30, 1967,
year ended June 30, 1968,
and four months ended October 31, 1968

(Unaudited)

	Year Ended December 31, 1966	Six Months Ended June 30, 1967	Year Ended June 30, 1968	Four Months Ended October 31, 1968
Sales	$427,283	$317,698	$755,197	$218,145
Cost of sales (Note J)	299,163	206,528	504,969	140,738
Gross profit	128,120	111,170	250,228	77,407
Selling, general and administrative expenses (Note A)	58,013	32,365	81,410	31,693
Income from operations	70,107	78,805	168,818	45,714
Other income and (expense):				
Interest income			6,210	3,583
Interest expense	(1,733)	(822)	(2,353)	(739)
Income before income taxes	68,374	77,983	172,675	48,558
Federal and state income taxes (Notes A and D)	29,800	38,000	86,555	23,000
Net income (Note A)	$ 38,574	$ 39,983	$ 86,120	$ 25,558
Earnings per share (Note A)	$ .103	$ .107	$ .181	$ .054

STATEMENT OF RETAINED EARNINGS

for the period from July 1, 1967 through October 31, 1968

(Unaudited)

Balance, July 1, 1967		$ —
Net income:		
Year ended June 30, 1968	$ 86,120	
Four months ended October 31, 1968	25,558	111,678
Balance, October 31, 1968		$111,678

STATEMENT OF PAID-IN CAPITAL IN EXCESS OF PAR VALUE

for the period from July 1, 1967 through October 31, 1968

(Unaudited)

Balance, July 1, 1967 (represents excess of net assets contributed upon incorporation over par value of common stock issued therefor)	$ 25,781
Excess of proceeds received over par value in October 1968 upon sale of 100,000 shares of common stock	190,000
Excess of proceeds from sales of 1,800 shares of common stock pursuant to stock options and warrants	3,870
Balance, October 31, 1968	$219,651

NOTES TO FINANCIAL STATEMENTS

NOTE A: The Company was operated as a proprietorship to December 31, 1966, as a partnership from January 1 to June 30, 1967 and was then incorporated as of July 1, 1967. The fiscal year of the corporation ends June 30. The financial statements prior to July 1, 1967 include pro forma provisions for officers' salaries and income taxes so that statements for all periods are comparable.

Following are the pro-forma adjustments included in the statements of earnings:

	Officers' Salaries	Income Tax
Year ended December 31, 1966	$40,000	$20,800
Six months ended June 30, 1967	25,000	38,000

The Company has entered into an employment agreement with the two principal officers for a term of 2 years from August 15, 1967 at an annual rate of $25,000 each.

NOTE B: Meat is valued at the lower of cost or market on a first in, first-out basis. The amounts of meat inventory entering into the determination of cost of sales were as follows:

December 31, 1965	$ 9,069
December 31, 1966	2,596
June 30, 1967	8,170
June 30, 1968	27,136
October 31, 1968	47,533

NOTE C: Pursuant to a stock option plan authorized by the shareholders of the Company in 1967, a total of 75,000 shares of stock were reserved for options and warrants to be issued to key employees and others who have rendered valuable services to the Company. Following is information with respect to options and warrants issued to October 31, 1968:

Date	Number of Shares	Option Price		Market Price	
		Per Share	Total	Per Share	Total
Granted					
10- 3-67	4,000	$ 2.25	$ 9,000.00	$ 2.25	$ 9,000.00
10-10-67	10,000	2.25	22,500.00	2.25	22,500.00
3-10-68	12,000	6.00	72,000.00	25.50	306,000.00
3-10-68	20,000	15.00	300,000.00	25.50	510,000.00

Date	Number of Shares	Option Price		Market Price	
		Per Share	Total	Per Share	Total
Exercisable					
10- 3-67	4,000	$ 2.25	$ 9,000.00	$ 2.25	$ 9,000.00
10-10-67	10,000	2.25	22,500.00	2.25	22,500.00
3-10-69	12,000	6.00	72,000.00	6.00	.....
3-10-69	20,000	15.00	300,000.00	15.00	.....
Exercised					
12-18-67	1,500	$ 2.25	$ 3,375.00	$ 2.87	$ 4,305.00
6-25-68	300	2.25	675.00	23.50	7,050.00

NOTE D: The Company depreciates its fixed assets for accounting purposes over the estimated useful lives of the assets using the straight-line method. Useful lives in use are as follows:

Equipment	10 years
Vehicles	5 years

Repairs and maintenance are charged to expense as incurred. Renewals and betterments are capitalized.

The deferred income tax has arisen as a result of the Company using an accelerated depreciation method for tax purposes and the straight-line method for accounting purposes. The temporary tax saving has been credited to deferred income taxes on the balance sheet. This account will be charged in future years when depreciation charges for tax purposes are less than those for accounting purposes.

NOTE E: The Company leases its premises under terms of a lease which expires in 1971 and which contains options to renew to 1981. Further information with respect to the lease is contained elsewhere in this offering circular.

NOTE F: The Company entered into an agreement with Status Marketing Corporation, a New York corporation, whereby for the sum of approximately $37,000 Status will set up a franchise program for drive-in restaurants in behalf of the Company. $27,500 has been paid to Status to this date on this agreement leaving a balance of approximately $9,500. The balance of the deferred charges represents advances for art work and engraving in connection with the franchise program.

NOTE G: No reserve for doubtful accounts has been set up since management believes that all accounts receivable as of October 31, 1968 are collectible. The Company's accounts receivable losses to date have been nominal.

NOTE H: Organization costs are being amortized over a 5-year period commencing July 1, 1967.

NOTE I: The Company has leased equipment which provides for monthly rental of $360. This lease will expire in August, 1972.

NOTE J:

	Charged To	
	Cost of Sales	Selling, General and Administrative Expense
Calendar year 1966:		
Maintenance and repairs	$3,790	
Depreciation and amortization	7,223	$ 590
Taxes, other than income taxes (principally payroll)	3,157	
Rent	7,964	
Royalties (1)	5,203	
Six months ended June 30, 1967:		
Maintenance and repairs	2,272	
Depreciation and amortization	3,331	350
Taxes, other than income taxes (principally payroll)	2,846	
Rent	3,998	
Royalties (1)	1,990	
Fiscal year ended June 30, 1968:		
Maintenance and repairs	8,939	
Depreciation and amortization	6,017	1,390
Taxes, other than income taxes (principally payroll)	5,560	
Rent	8,014	
Royalties (1)	4,010	
Four months ended October 31, 1968:		
Maintenance and repairs	3,382	
Depreciation and amortization	3,632	464
Taxes, other than income taxes (principally payroll)	890	
Rent	2,910	

(1) Paid to Peters Meat Products Co. for use of "Peters Meat Products" label for certain non drive-in restaurant sales.

NOTE K: Richard Franchise Investment, Inc., became a wholly owned subsidiary of the Company on September 12, 1968 through the purchase of 400,000 shares of stock at $.01 a share. At October 31, 1968, the subsidiary had not commenced operations. There is presently in registration with the United States Securities and Exchange Commission a proposed public offering by Richard Franchise Investment, Inc. of 4,000 units (each unit consisting of 40 common shares, $250 principal amount of convertible subordinated debentures and a warrant for the purchase of 25 common shares, each common share having a par value of $.01). If all of the units are subscribed for, Richard Franchise Investment, Inc. will receive proceeds, net of estimated expenses, of $1,975,000.

TABLE OF CONTENTS

Section	*Page*
The Company	2
Introductory Statement	2
Offering Plan	3
Price Range of Common Stock	3
History and Business	4
Application of Proceeds	7
Remuneration of Directors and Officers	8
Management and Stock Ownership	8
Capitalization and Description of Securities	9
Transfer Agent	9
Stock Options and Warrants	9
Underwriting	10
Litigation	10
Legal Opinions	10
Annual Reports	10
Financial Statements	11

No dealer, salesman or other person has been authorized to give information or to make representations other than those contained in this Offering Circular in connection with this offering, and if given or made, such information or representations must not be relied upon as having been authorized by Richard Packing Co. This Offering Circular does not constitute an offer to sell or a solicitation of any offer to buy any of these securities in any state to any person to whom it is unlawful to make such offer or solicitation in such state.

This offering is made by Offering Circular only. Subscriptions shall be accepted on prescribed applications to be furnished by the Company. No subscription for any stock offered herein is final until accepted in writing by the Company. The Company reserves the right to accept or reject subscriptions, in full or in part, in the event of over-subscription, or to make such allotment of shares as it deems advisable, in its sole discretion.

RICHARD PACKING CO.

10,000 COMMON SHARES
(Par Value $.10 Per Share)

OFFERING CIRCULAR

March 11, 1969

RICHARD PACKING CO.
1523 North Concord
South St. Paul,
Minnesota 55075

GOVT. EXHIBIT 5C -- Form Pursuant to Rule 260 of Reg. A

2987 9x 5C

FORM 2-A—REPORT PURSUANT TO RULE 260 OF REGULATION A

1. Name of issuer Richard Packing Co.
2. Name of underwriter None
3. Date of this report February 25, 1970
4. (a) Date offering commenced March 11, 1969 FILED
   (b) Date offering completed, if completed March 14, 1969
   (c) If offering has not commenced, state reasons briefly
5. (a) Total number of shares or other units offered hereunder 10,000
   (b) Number of such shares or other units sold from commencement of offering to date 10,000
   (c) Number of such shares or other units still being offered None
6. (a) Total amount received from public from commencement of offering to date $300,000
   (b) Underwriting discount allowed $10,000
   (c) Expenses paid to or for the account of the underwriters $
   (d) Other expenses paid to date by or for the account of the issuer:
      (1) Legal (including organization) $3,500
      (2) Accounting $2,000
      (3) Engineers' fees incurred prior to offering $
      (4) Printing and advertising $1,500
      (5) Other $500
   (e) Total costs and expenses ((b), (c), and (d)) $17,500
   (f) Proceeds to issuer after above deductions ((a) minus (e)) $282,500
7. Use of net proceeds from commencement of offering to date:

	Payments to officers, directors and affiliates	Payments to others
(a) Salaries and fees	$25,000	$15,000
(b) Purchase of real estate	$	$
(c) Purchase and installation of machinery and equipment	$	$
(d) Construction of plant building and facilities	$	$
(e) Development expense (product development, research, patent costs, etc.)	$	$80,000
(f) Purchase of raw materials, inventories, supplies, etc	$	$50,000
(g) Selling, advertising, and other sales promotion	$	$50,000
(h) Other disbursements	$	$62,500
(i) Totals	$25,000	$257,500
(j) Balance of cash proceeds on hand	$282,500	

Instructions. 1. If the issuer is a mining company, substitute for captions (e), (f) and (g) the following captions: "Road building," "Exploration expense (other than drilling)," "Exploratory drilling" and "Mine Development."

2. If the issuer is an oil or gas company, substitute for captions (e), (f) and (g) the following caption: "Exploratory and other drilling."

. State briefly the nature and extent of each type of the issuer's principal activities to date.
Same as offering circular.
Instruction. Mining companies shall include exploratory activity, showing the aggregate footage of exploratory drilling and number of holes drilled. Oil and gas companies shall include the number of wells drilled and their depth. Other companies shall include information as to plant construction, development, production and sales.

. State whether the offering has been discontinued, and if so, state the date and describe briefly the reasons for such discontinuance. Not applicable.

. List the name and addresses of all brokers and dealers who have, to the knowledge of the issuer or underwriters, participated in the distribution of the securities offered during the period covered by this report. None.

Instruction. In reports made subsequent to the initial report, the information need be given only with respect to persons not previously reported.

. State the number of shares held by each promoter, director, officer or controlling person of the issuer, if different from the amount stated in the offering circular. Same as offering circular.

RICHARD PACKING CO.
(Issuer)*

te. February 25, 1970 By [signature]
(Name and Title)*
Milton J. Cohen, President
(Selling security holder)*

te.

*At least one copy of the report shall be signed manually by each person whose signature is required. Any copies manually signed shall bear typed or printed signatures.

GOVT. EXHIBIT 6 -- Minutes of Special Meeting

MINUTES OF SPECIAL MEETING
OF
BOARD OF DIRECTORS
OF
RICHARD PACKING CO.

A special meeting of the Board of Directors of Richard Packing Co. was held at the corporation's registered office at 1523 North Concord, South St. Paul, Minnesota on September 10, 1968. Milton J. Cohen, Harvey D. Cohen, Alvin S. Malmon, Joseph Cohen and Richard E. Stevenson, being all and the only directors of the corporation, were personally present at the meeting which was called to order and presided over by Milton J. Cohen, the corporation's president.

The only item of business considered at the meeting pertained to proposed stock options to be granted to the following named persons at the following option prices for their services rendered to corporation:

Name	Number of Shares	Option Price
Wilton L. Jaffee	10,000	$15.00
Jaffee & Co.	1,500	$15.00
Carol Anne Hayden	500	$15.00
Kenneth Rich	1,000	$15.00
Samuel Richard Jonas	1,000	$15.00
Harry Barres	1,000	$15.00
Howard B. Herman	1,000	$15.00
Rochelle Du Boff	2,000	$15.00
Sheila Deutsch	2,000	$15.00
Harry Morginstin	5,000	$ 6.00
William Harris	5,000	$ 6.00
Alvin S. Malmon	1,000	$ 6.00
James Shelton	1,000	$ 6.00

After considerable discussion, resolutions upon motion duly made and seconded were unanimously adopted as follows:

RESOLVED: That the corporation shall presently issue options to purchase its common stock as above set forth, said options to be for a term of five years.

RESOLVED FURTHER: That upon exercise of the foregoing options and payment to the corporation of the purchase price, the secretary of this corporation be, and he hereby is, authorized, empowered and directed to issue certificates for the shares purchased to the purchaser all in accordance with the form of option agreement adopted by the corporation at a meeting of the Board of Directors on August 15, 1967.

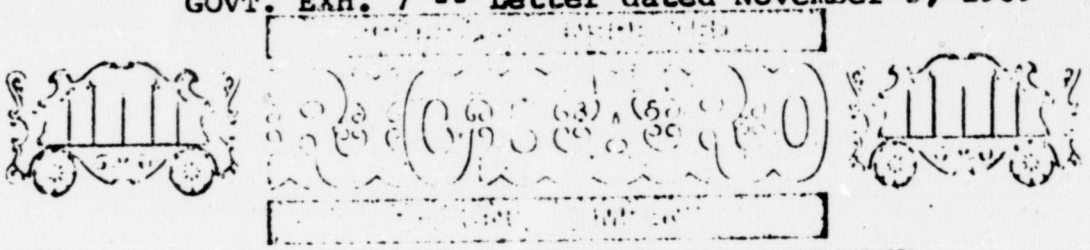
There being no further business to come before the meeting, the same was duly adjourned.

Harvey D. Cohen, Secretary

ATTEST:

Milton J. Cohen, President

GOVT. EXH. 7 -- 1770 Letter dated November 5, 1969



790 SOUTH CLEVELAND AVENUE • ST. PAUL, MINN. 55116 • (612) 699-1376

November 5, 1969

Mr. Alvin Malmon
115 Hennepin Ave.
Minneapolis, Minn.

Dear Alvin,

We have issued an option to the Jaffee Company of New York for 10,000 shares of Richard Packing, about a year ago.

We would like a simple paper making the following changes. Please breakdown the 10,000 share option into the following.

500 shares - Howard Herman
750 shares - Stanley Duboff
750 shares - Bernard Deutsch

Balance of the 8000 to Jaffee Company.

Sincerely,

Milton Cohen

MC/gs

cc: Stanley Duboff

GOVT. EXH. 8 -- Letters

Northwestern National Bank of Minneapolis

Minneapolis, Minnesota 55440

TRUST DEPARTMENT

October 10, 1969

21580

Mr. Alvin S. Malmon
Feinberg, Mirviss, Meyers,
Schumacher & Malmon
The Towers
115 Hennepin Avenue
Minneapolis, Minnesota

Dear Mr. Malmon:

We enclose herewith xerox copies of letters dated October 9, 1969, from Milton J. Cohen and Harvey D. Cohen. Please instruct us with regard to these proposed transfers.

Yours truly,

J. G. Cool
Corporate Trust Officer

JGC:prs
Enclosures

1772

799 SOUTH CLEVELAND AVENUE • ST. PAUL, MINN. 55116 • (612) 699-1376

October 9 1969

Northwestern State Bank
Mpls, Minnesota

Mr Cool:

Dear Sir:

Please breakdown the following certificate in the following manner. As you have in the past, please mail all to Richard Packing Company, at the above address:

Certificate Number 8057 54012 shares

47750
6262

William Ward	2500	shares
Hugh Deane	500	shares
Goodman Epstein	250	shares
Allan Dudovitz	1000	shares
Joseph Kally	2500	shares
Stanley Duboff	41,000	shares

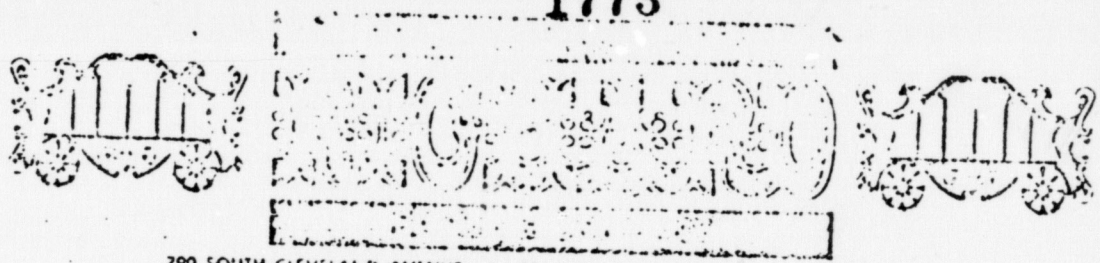
Balance to Milton Cohen 47,750 Bal 6262
Thank you for your attention to this matter.

Sincerely,

Milton Cohen

HOME OF [illegible] DRIVE-IN RESTAURANTS

1773



790 SOUTH CLEVELAND AVENUE • ST. PAUL, MINN. 55116 • (612) 699-1376

October 9 1969

Northwestern National Bank
Mpls, Minnesota

Mr Cool:

Dear Sir:

Please breakdown the following certificates in the following manner. As you have in the past, please mail all to Richard Packing Company, at the above address:

Certificate Number 8053 57121 shares

William Ward	2500	shares
Hugh Deane	500	shares
Goodman Epstein	250	shares
Allan Dudovitz	1000	shares
Joseph Kally	2500	shares
Bernard Deutsch	44000	shares
	44250	

6371 1
Bal in HDC 8877

Balance to Harvey Cohen.
Thank you for your attention to this matter.

Sincerely,

Harvey Cohen

Harvey Cohen

1114

GOVT. EXH. 9 -- Letter Dated March 17, 1969 with enclosures

FEINBERG, MIRVISS, MEYERS, SCHUMACHER & MALMON
ATTORNEYS AT LAW
THE TOWERS
GATEWAY CENTER
115 HENNEPIN AVENUE
MINNEAPOLIS, MINNESOTA 55401

339-0431

ARNOLD I. FEINBERG
ISRAEL MIRVISS
RICHARD MEYERS
JAMES J. SCHUMACHER
ALVIN S. MALMON
ROBERT H. SCHUMACHER
MICHAEL J. GARVEY, JR.

SUBURBAN OFFICES:
RICHFIELD
NEW BRIGHTON
LEXINGTON

March 17, 1969

Northwestern National Bank
Minneapolis
Minnesota

Attention: Dave Willard
Trust Department

Gentlemen:

We are enclosing two copies of the Regulation A Offering Circular used by Richard Packing Co. in its second Regulation A sale of 10,000 shares of its common stock to the public. We are also enclosing a copy of the letter from the Securities and Exchange Commission stating, in their usual fashion, that they have examined the material and have no further comments on the offering.

We are also enclosing a letter signed by the president, Milton J. Cohen, instructing you to issue 10-100 share certificates to Kelly, Andrews and Bradley, 111 John Street, New York, New York. In a few days instructions will follow with respect to the other 9,000 sharessold in this Regulation A offering.

We thank you very much for your kind cooperation in this matter and if there are any other questions, please let us know.

Very truly yours,

Alvin S. Malmon

ASM/ew
Enclosure

1775

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
REGIONAL OFFICE
ROOM 1708
UNITED STATES COURTHOUSE AND FEDERAL OFFICE BUILDING
219 SOUTH DEARBORN STREET
CHICAGO, ILLINOIS 60604

IN REPLYING PLEASE QUOTE
JFMcL:scc

March 11, 1969

Alvin S. Malmon, Esquire
Feinberg, Mirviss, Meyers, Schumacher & Malmon
115 Hennepin Avenue
Minneapolis, Minn. 55401

Re: Richard Packing Co.
24C-2984

Dear Mr. Malmon:

This will acknowledge receipt of your letter of March 5, 1969 with which you enclosed the amended notification on Form 1-A, revised offering circular and related material pertaining to an offering of securities by the above named company under Regulation A. Said material was filed in this office on March 7, 1969, the date of its receipt.

Confirming your telephone conversation of March 10, 1969, please be advised that I have no further comment with respect to the foregoing material and assuming that eight copies of the definitive offering circular are filed with this office, the offering may be recommenced as of March 11, 1969.

Thank you for your cooperation in this matter.

Very truly yours,

John I. Mayer
Regional Administrator

Nicholas A. Pecora

By: Nicholas A. Pecora
Chief, Branch of Interpretations
and Small Issues

FEDERALLY INSPECTED
1776
Richard
PACKING CO.
1523 NORTH CONCORD
SOUTH ST. PAUL, MINNESOTA
(612) 451-0320

March 17, 1969

Northwestern National Bank of Minneapolis
Minneapolis
Minnesota

Gentlemen:

Please be advised that in connection with a second Regulation A offering of 10,000 shares of Richard Packing Co.'s common stock to the public we hereby instruct you to issue 10 certificates of 100 shares each (or a total of 1,000 shares) to Kelly, Andrews and Bradley, 111 John Street, New York, New York. We are presently in the process of completing the balance of the sale of the remaining 9,000 shares and shall forward to you instructions about their issuance in a few days.

Very truly yours,

RICHARD PACKING CO.

By Milton J. Cohen
Milton J. Cohen, President

GOVT. EXH. 9B -- Letter dated March 19, 1969

X 96

FEINBERG, MIRVISS, MEYERS, SCHUMACHER & MALMON
ATTORNEYS AT LAW
THE TOWERS
GATEWAY CENTER
115 HENNEPIN AVENUE
MINNEAPOLIS, MINNESOTA 55401
339-0431

I. FEINBERG
MIRVISS
D. MEYERS
J. SCHUMACHER
S. MALMON
M. SCHUMACHER
J. GARVEY, JR.

SUBURBAN OFFICES:
RICHFIELD
NEW BRIGHTON
LEXINGTON

March 19, 1969

21580

MAR 21 1969

Northwestern National Bank of Minneapolis
Minneapolis
Minnesota 55440

Attention: Gordon J. Cool
Trust Department

Re: Richard Packing Co.

Dear Sir:

This opinion is being rendered in connection with 10,000 shares of Richard Packing Co. common stock to be issued to Kelly, Andrews and Bradley, 111 John Street, New York, New York in accordance with the Regulation A offering recently concluded by Richard Packing Co.

In the opinion of the undersigned:

(a) Richard Packing Co. is a corporation duly incorporated and validly existing and in good standing under the laws of the State of Minnesota.

(b) In accordance with the Articles of Incorporation, the shareholders have no pre-emptive rights to subscribe to any new issue of shares.

(c) All the necessary corporate proceedings have been taken and the issuance of said shares has been validly and duly authorized and payment has been made for said shares so that upon the issuance of said shares, they will be validly issued, fully paid and non-assessable.

(d) All of the shares have been sold in the State of New York and thus, the sale is exempt from registration under the Blue Sky Laws of the State of Minnesota.

(e) All of the requirements of the Blue Sky Laws of the State of New York have been complied with.

(f) The issuance of these shares is exempt from registration under the Securities Act of 1933.

(g) No approval of any other governmental or regulatory authority is required for the issuance of these shares.

(h) The transfer of these shares will not be subject to any restriction or limitation and it is not investment letter stock.

The foregoing represents the opinion of the undersigned.

Very truly yours,

FEINBERG, MIRVISS, MEYERS,
SCHUMACHER & MALMON

By Alvin S Malmon
Alvin S. Malmon

ASM/ew

GOVT. EXH. 9C -- letter from Richard Packing Co.

SA 135-475
(D. 4-23-71)

GOVT. EXHIBIT

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

9C in ev

March 19, 1969

Northwestern National Bank
Minneapolis
Minnesota 55 [illegible]

Gentlemen:

We refer to the sale of 10,000 shares of Richard Packing Co. [illegible] pursuant to a Regulation A offering. In accordance with a resolution of the Board of Directors of Richard Packing Co. and in accordance with the opinion of our counsel, Fairbanks, Morrison, Payorn, Sanderson & Whitney, we instruct you to deliver a total 10,000 shares of Richard Packing Co. common stock (100 certificates of 100 shares each) to Kelly, Andrews and Bradley, 111 John Street, New York, New York. We instruct you to deliver those shares directly to Kelly, Andrews and Bradley, 111 John Street, New York, New York.

We [illegible] 10,000 shares to this [illegible] New York.

Very truly yours,

[illegible]

Arthur G. Cohen, Esq.

GOVT. EXH. 10 -- Minutes of Special Meeting

MINUTES OF SPECIAL MEETING
OF
BOARD OF DIRECTORS
OF
RICHARD PACKING CO.

A special meeting of the Board of Directors of Richard Packing Co. was held at the corporation's registered office at 1523 North Concord, South St. Paul, Minnesota, on April 18, 1969. Milton J. Cohen, Harvey D. Cohen, Alvin S. Malmon, Joseph Cohen and Richard E. Stevenson, being all and the only directors of the corporation, were personally present at the meeting which was called to order and presided over by Milton J. Cohen, the corporation's president.

The only item of business considered at the meeting pertained to two proposed stock dividends. The president pointed out that in his opinion it would be in the best interest of the corporation and its shareholders to issue an immediate 25 per cent stock dividend and an additional stock dividend in the near future. After considerable discussion, resolutions upon motion duly made and seconded were unanimously adopted as follows:

RESOLVED: That this corporation hereby declares a 25 per cent stock dividend to shareholders of record on the close of business on May 29, 1969 payable July 2, 1969.

RESOLVED FURTHER: That this corporation hereby also declares an additional 25 per cent stock dividend to shareholders of record on August 2, 1969 payable September 2, 1969, said additional stock dividend to be on all shares outstanding on August 2, 1969 including those shares issued as a result of the previous stock dividend.

RESOLVED FURTHER: In lieu of fractional shares, cash will be paid equal to the mean between the closing bid and asked price on the record date.

RESOLVED FURTHER: That the president and secretary of this corporation take whatever action is necessary to cause the transfer agent to issue to each shareholder of record on May 29, 1969 and August 2, 1969 one additional share of this corporation's common stock for each four shares then held of record.

RESOLVED FURTHER: That the Northwestern National Bank as transfer agent is hereby authorized, empowered and directed to issue such further shares of the common capital

stock of this corporation with a par value of $.10 per share as may be required to complete the two stock dividends as set forth above.

RESOLVED FURTHER: That the president of this corporation shall authorize corporate counsel to take whatever action is necessary to register such additional shares issued as a stock dividend with the State of Minnesota Commerce Department, Securities Division.

RESOLVED FURTHER: That the president and secretary of this corporation be, and they hereby are, authorized, empowered and directed to execute and deliver any such further documents as may be required in this matter.

There being no further business to come before the meeting, the same was duly adjourned.

We, the undersigned, being all and the only directors of Richard Packing Co., hereby affix our signatures hereto as evidence of the correctness of the meeting above set forth and the proceedings taken thereat and as a waiver of all statutory, by-law and other requirements as to notice.

Milton J. Cohen

Harvey D. Cohen

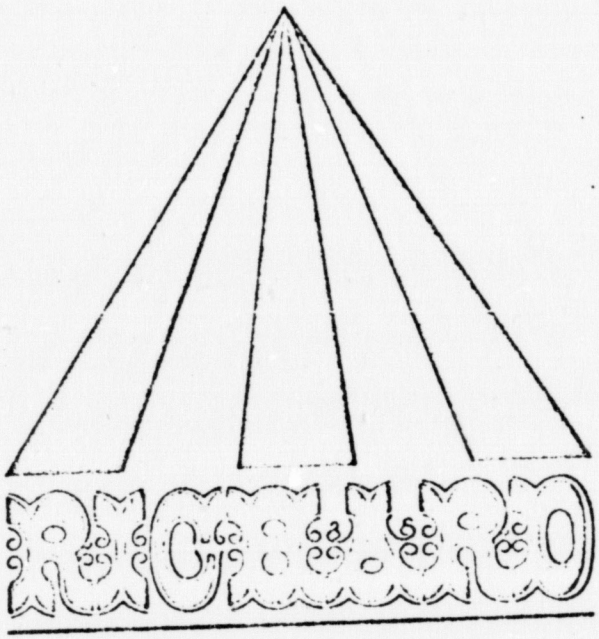
Alvin S. Malmon

Joseph Cohen

Richard E. Stevenson

GOVT. EXH. 13A -- Annual Report

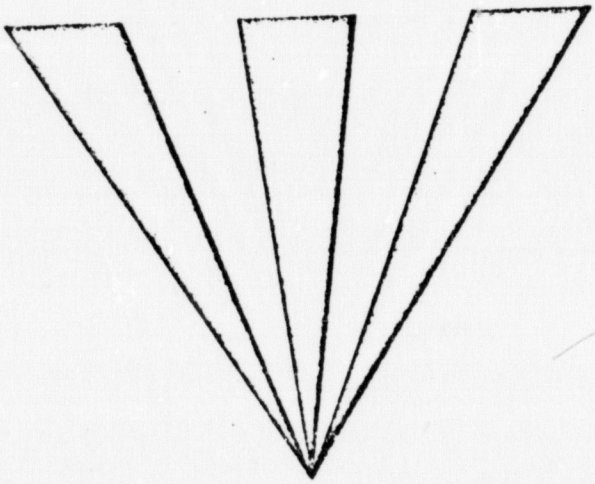
Govts Ex 13A



RICHARD PACKING CO., INC.

ANNUAL REPORT

1969



DIRECTORS

Milton Cohen

Harvey Cohen

Allan D. Dudovitz

Alvin Malmon

Joseph J. Kally

OFFICERS

Milton Cohen, *President*

Joseph J. Kally, *Executive Vice President*

Allan D. Dudovitz, *Vice President*

Harvey Cohen, *Secretary, Treasurer*

GENERAL COUNSEL

Feinberg, Mirviss, Meyers, Schumacher, Malmon
115 Hennepin Avenue
Minneapolis, Minnesota 55401

AUDITORS

Lybrand, Ross Bros., and Montgomery
4th Floor, Osborne Building
Saint Paul, Minnesota 55102

TRANSFER AGENT AND REGISTRAR

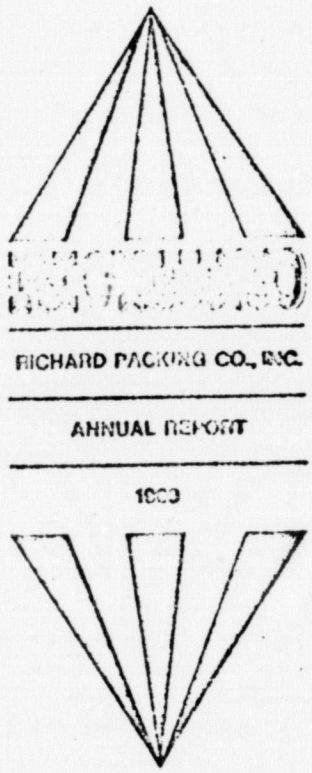
Northwestern National Bank of Minneapolis
7th St. & Marquette
Minneapolis, Minnesota 55401

SUBSIDIARIES

Richard Franchise Investment, Inc.

Resort Products International, Inc.

1784



FINANCIAL HIGHLIGHTS
(Unaudited)

	Year Ended June 30th	
	1969	*1968*
Sales	$341,945	$755,197
Income before taxes	66,642	172,675
Net income	39,642	86,120
Earnings per share of common stock	$.05	$.18
Shares outstanding	851,781	475,000

TO OUR SHAREHOLDERS:

Fiscal 1969 was a year of particularly significant development as well as continuing growth for your company. The most important development was the finalization of the company's plans to radically alter its orientation through direct participation in the leisure time field. We decided to realize this aim by entering the fast-food franchise business and by acquiring a manufacturer of recreational vehicles.

Particular attention has been devoted by your management to the development of a strong and viable executive team. As part of this continuing program, the company was fortunate recently to acquire the services of a very experienced senior executive in the fast-food franchise field, Joseph J. Kally, formerly vice president and regional manager of McDonald's Corp., Chicago. Mr. Kally now heads Circus Wagon operations, assisted by William Hopenrath, who is responsible for the Circus Wagon building program, and Don Hoth, who is Director of Food Operations. Messrs. Hoppenrath and Hoth were also formerly with McDonald's.

The company's accounting method for the sale of restaurant franchises is to defer the recognition of this income until substantially all the services have been performed and cash or collectible receivables are received. Generally, this policy results in the recognition of franchise income at the time the franchise restaurant is opened. Costs allocable to specific franchises are also deferred until the income is recognized. Since the company's first franchise restaurant commenced operations in August 1969, no income from the sale of franchises is included in the accompanying financial statements.

During the greater part of the fiscal twelve months ended June 30, 1969 the company was heavily involved in reorienting itself from being wholly a packer and distributor of meat and meat products to being a very active participant in the fast-food franchise and leisure time industries. The demands made on management by our new areas of endeavor together with associated start-up costs did have a deleterious effect on the company's traditional operations for the year — a possibility which was foreseen — but this was deemed a risk which had to be taken in order to restructure the company in its new image. Sales for the year ended June 30, 1969 totaled $341,945 compared with $755,197 in fiscal 1968. Earnings after taxes were $39,642 equal to $.05 per share based on 841,483 shares outstanding as computed by the weighted average method. In fiscal 1968, earnings after taxes amounted to $86,120 or $.18 per share on 475,000 shares outstanding.

Preparations for entry into the fast-food restaurant business commenced in March, 1969 with the successful public offering at $500 of 4,000 units of the company's majority-owned subsidiary, Richard Franchise Investment, Inc. (RFI). Using the $2 million realized by this offering, RFI commenced a program of acquiring and constructing, furnishing and equipping buildings for drive-in and walk-in "Circus Wagon" restaurants to be offered for sale or lease to Richard Packing franchisees. Richard Packing raised an additional $1.4 million in May 1969 for acquisition and expansion purposes through the private placement of 50,000 shares of Richard Packing common stock at $28 per share with a prominent investment institution.

During the course of the year your company's board of directors declared two 25 per cent stock splits on Richard Packing's common shares. As a result of these splits, the amount of the company's outstanding common stock rose to 851,781 shares.

Your company has successfully entered the fast-food franchise restaurant field with its new concept known as "Circus Wagons." Circus Wagon restaurants are designed to evoke all the magic of the Big Top through both external and internal decor and design. The aim, of course, is to appeal to our younger citizens, but we are equally confident that our varied menu and high quality control standards will make Circus Wagon restaurants firm favorites with parents as well. The menu offers, in addition to hamburgers, fried chicken and roast beef sandwiches as well as a selection of beverages and circus-type confectionery such as cotton candy, candy apples and popcorn. Each Circus Wagon has seating capacity for 56 persons, standing room and tables for 18 and three take-out windows.

Occupying an area approximately 50 by 40 feet, Circus Wagon buildings stand 30 feet high and are complemented by a large, colorful juggling clown on stilts. Circuses have always held almost universal appeal for young and old alike and the Circus Wagon design creates a crisp and fun atmosphere. The dining area is brilliantly muraled, carpeted and furnished, and the kitchen and serving departments are immaculate, modern, efficient and compact. To ensure that every Circus Wagon retains its fresh and up-to-date appearance, periodic remodeling is built into the design and equipment program.

Circus Wagon's parent company is ideally suited to guarantee absolute control in the areas of quality supplies and efficient distribution. It was these very areas in which Richard Packing built its reputation and carved out a position of leadership. Its experience and operating procedures, developed over the years, had direct application in the blueprinting of Circus Wagon operations and resulted in a material control system second to none. Supervision of the quality of food supplies and serving items is explicit and exacting to a high degree. Circus Wagon looks for repeat business and it will be mandatory for every franchisee to maintain absolute maximum quality and service.

To date, commitments for 82 franchises have been secured by Status Marketing. Three have been opened so far; one each at Anaheim and Northridge, California; and one in Miami, Florida. Also, ten Circus Wagon restaurants are currently under construction, and land has been acquired for a further 20 units.

Sales of Richard Packing's traditional product mix of meat and meat goods are expected to benefit considerably from the growing number of outlets for these products afforded by our Circus Wagon franchises.

Richard Packing's other major venture into the leisure time field was the acquisition early in the current fiscal year of 74 per cent of KDM Enterprises, Inc., North Hollywood, California. Since re-named Resorts Products International, our new affiliate produces "Fun Buggys," multi-colored recreational vehicles made of moulded fiberglass and utilizing a Volkswagen engine and other Volkswagen components. The Fun Buggy's concave hood with protruding headlights, nose-down sporty look and open sides makes it very distinctive. The roof is bright-colored with a transparent center section. As their name and description implies, these vehicles are particularly suited for resort and tropical area transportation, and are licensed to travel on all public highways, for which they meet all safety regulations.

We have been fortunate to secure the services of John Monahan, formerly vice president of Diners Club and senior vice president of Diners/Fugazy Travel, to head the Fun Buggy distribution program and a "Fun Franchise" program. Mr. Monahan has a background of 25 years in the hotel and travel industry.

Fun Buggys are not intended for general sale at this time, but are being placed at resort areas in the U.S. and overseas as rental vehicles. Presently, units have been shipped to Hawaii, Florida, and Jamaica and have been installed in enterprises known as Leisure Time Rentals. Vacationers have given these units a very enthusiastic reception. Preparations have also been made to open new locations in Puerto Rico, St. Thomas and Acapulco.

Management is confident that the entry it has secured into the leisure time field via our Fun Buggys and Circus Wagon operations will assure Richard Packing of strong participation in a market predicted as having one of the economy's greatest growth potentials over the next decade.

In conclusion, I should like to take this opportunity to thank our shareholders, employees, customers, franchisees and officers for their kind support and loyalty to the company over the year.

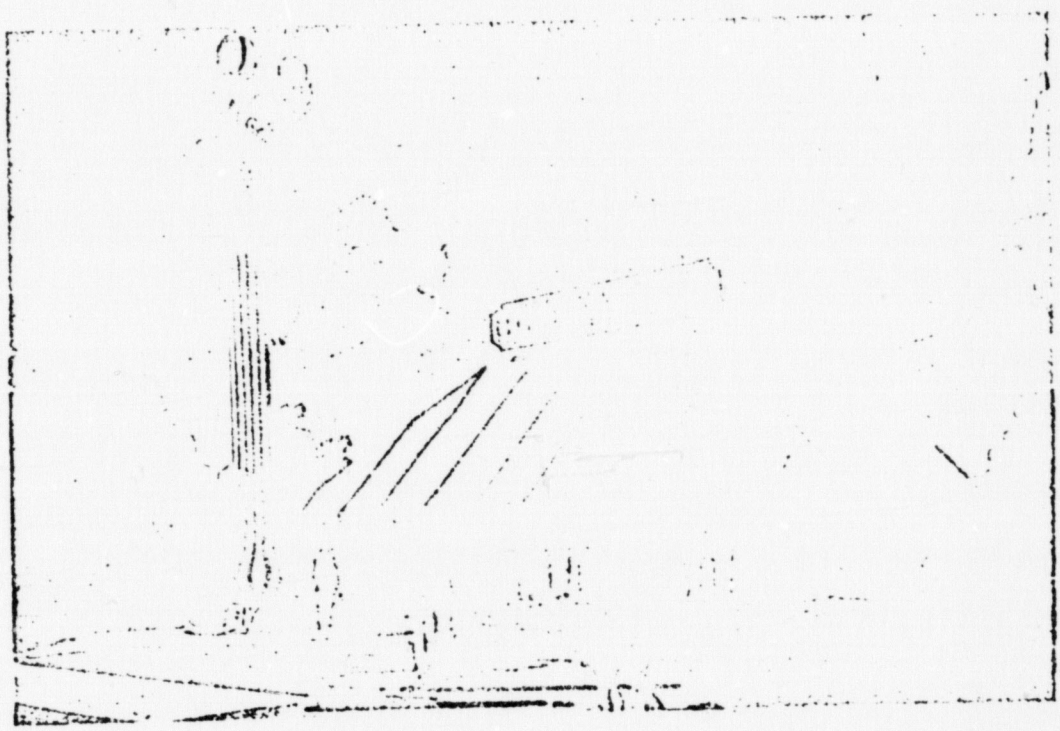
Respectfully submitted,

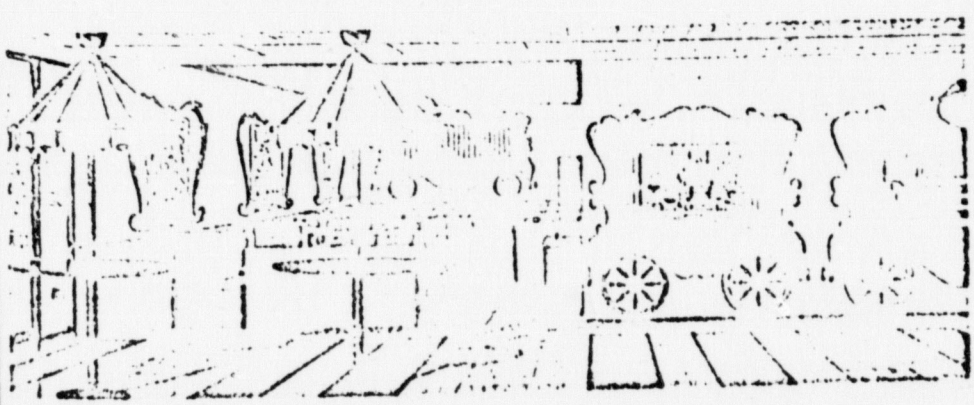
Milton J. Cohen
President

April 16, 1970

1787

CIRCUS WAGON FRANCHISES

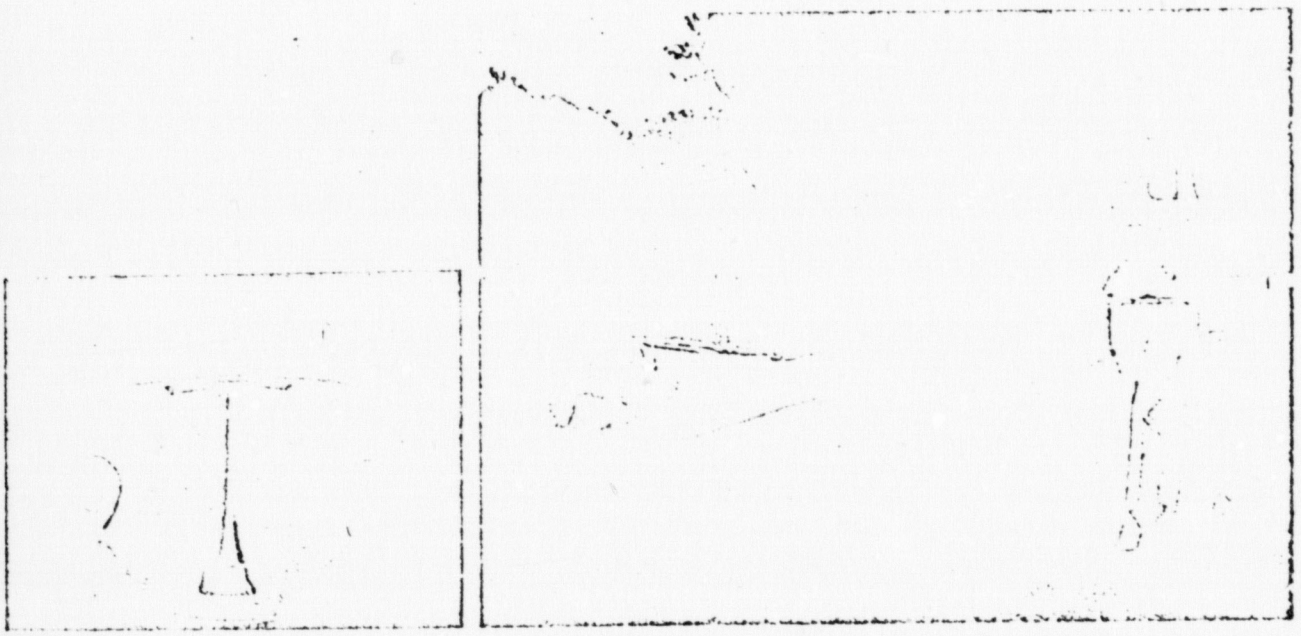




Circuses have always held great appeal for young and old alike, and Circus Wagon with its bright, shiny, clean and crisp atmosphere is just the place for hungry children and adults. The three-dimensional, happy, juggling clown display extends an irresistible invitation to visit a Circus Wagon restaurant. Inside, a brilliantly murated and carpeted dining area is seen where a varied selection of quality food is served speedily and efficiently from an immaculate, modern kitchen.

1788

RESORT PRODUCTS INTERNATIONAL, INC.





Fun Buggys are multi-colored recreational vehicles made of moulded fiberglass and utilizing a Volkswagen engine and other Volkswagen components. Although primarily intended for resort area transportation, Fun Buggys are fully licensed for use on all public highways.

ASSETS

Current assets:		
Cash		$ 100,018.92
Federal Intermediate Credit Bank Debentures, 6.85%, January 5, 1970		1,000,000.00
Accounts and notes receivable:		
Trade, less allowance for doubtful accounts of $2,200.00	$ 77,366.02	
Brokers	132,270.16	
Associated company	100,000.00	
Interest	20,395.67	
Other	20,559.28	
		350,591.13
Inventory, at lower of cost (first-in, first-out) or market:		
Merchandise	54,307.63	
Supplies	16,910.45	
		71,218.08
Prepaid expenses (principally insurance)		2,961.19
Total current assets		1,524,789.31
Investments and advances to subsidiary and associated companies (Note 2)		266,282.70
Other security investments, at cost (Note 3)		345,853.01
Improvements and equipment, at cost:		
Leasehold improvements	1,471.20	
Machinery and equipment	130,928.98	
Autos and trucks	13,534.62	
	145,934.80	
Less accumulated depreciation and amortization	55,488.86	90,445.94
Deferred charges:		
Development costs (Note 1)	92,089.30	
Franchise commissions (Note 1)	36,000.00	
Financing expenses	5,679.30	
Organization expenses, less amortization	4,172.72	
		137,941.32
		$2,365,328.28

LIABILITIES

Current liabilities:	
Notes payable:	
With equipment as collateral	$ 24,600.00
Other	37,500.00
	62,100.00
Capitalized lease obligation (Note 5)	4,089.00
Accounts payable and accrued expenses	20,750.21
Accrued income taxes	13,959.17
Total current liabilities	101,489.38
Capitalized lease obligation, due after one year (Note 5)	13,356.00
Deferred income from franchise sales less receivables from franchise sales of $50,000 (Note 1)	70,000.00
Deferred income taxes (Note 6)	28,000.00
Total liabilities	212,845.38

SHAREHOLDERS' EQUITY

Common stock, par value $.10, authorized 1,000,000 shares, issued and outstanding 851,781 shares (Notes 7 and 8)	$ 85,178.10	
Capital in excess of par value	1,942,260.10	
Retained earnings	125,044.70	
		2,152,482.90
		$2,365,328.28

The accompanying notes are an integral part of the financial statements.

1790

Net sales of meat products	$341,945.47
Cost of meat products sold	223,217.02
Gross profit	118,728.45
Selling, general and administrative expenses	176,805.93
(Loss) from operations	(58,077.48)
Other income (expenses):	
Gains and losses on securities, net	114,395.22
Interest income and expense, net	10,324.70
Income before provision for income taxes	66,642.44
Provision for income taxes (Note 6)	27,000.00
Net income ($.05 per share of common stock)	$ 39,642.44

STATEMENT OF SHAREHOLDERS' EQUITY

for the year ended June 30, 1969
(Unaudited)

	Capital Stock		Paid in Capital	Retained Earnings
	Shares	Amount	Amount	
Balance, July 1, 1968	475,000	$47,500.00	$ 211,449.67	$ 85,402.26
Shares sold	60,000	6,000.00	1,669,388.53	
Shares sold under warrants and stock options	8,600	860.00	22,240.00	
Shares issued in an acquisition (see Note 2 regarding Resort Products International, Inc.)	2,500	250.00	69,750.00	
Stock split-ups (Note 8)	305,681	30,568.10	(30,568.10)	
Net income for the year ended June 30, 1969				39,642.44
Balance, June 30, 1969	851,781	$85,178.10	$1,942,260.10	$125,044.70

The accompanying notes are an integral part of the financial statements.

1. Franchising Operations:

In prior years, the operations of the company and its predecessor partnership consisted solely of processing and selling meat and meat products at wholesale. In 1969, a restaurant franchise program, entitled Circus Wagon, was developed for the company by Status Marketing Corporation, an associated company, and the development of the franchise program was commenced by the company and Status Marketing Corporation, as franchise sales representative.

At June 30, 1969, the company had entered into six franchise license agreements for Circus Wagon restaurants for an aggregate sales price of $120,000. In connection with the sale of each franchise, the company is obligated for a commission at 30% of the franchise sales price and other expenses which cannot be determined until the Circus Wagon restaurant is in operation. At June 30, 1969, none of the franchised restaurants were in operation and, accordingly, all income and related expenses in connection with the franchise agreements entered into have been deferred. Amounts recorded at June 30, 1969 are as follows:

	Number of Units	Deferred Income From Franchise Sales	Proceeds Received	Accounts Receivable	Deferred Franchise Commissions
Sale of franchise license agreements	6	$120,000	$70,000	$50,000	$36,000

In addition, the company has entered into an agreement for the execution at future dates of twelve license agreements for an aggregate sales price of $190,000.

Deferred development costs consist of expenses incurred in the preparation of the Circus Wagon restaurant franchise program and art work and printing costs in connection with the development of this franchise program. These costs will be amortized over five years commencing with the opening of the first restaurant in September 1969.

2. Investments and Advances to Subsidiary and Associated Companies at June 30, 1969 are as follows:

	Total	Investment	Advances
Richard Franchise Investment, Inc. (See A below)	$ 5,499.56	$ 4,000.00	$ 1,499.56
Resort Products, International, Inc. (See B below)	232,183.14	75,600.00	156,583.14
Resort Products, Inc. (See C below)	28,600.00	--	28,600.00
	$266,282.70	$79,600.00	$186,682.70

At March 20, 1970, advances to Resort Products International, Inc., and Resort Products, Inc., aggregated $746,000.

The subsidiary and associated companies are newly organized and will operate in new industries. The ultimate realization from the investments and the collectibility of the advances are dependent upon the future profitable operations of the companies and, as to Resort Products International, Inc., and Resort Products, Inc., the obtaining of adequate financing.

A. Richard Franchise Investment, Inc., commenced operations on August 31, 1968 for the purpose of leasing facilities and equipment to Circus Wagon restaurant franchisees. The investment at June 30, 1969 consists of 400,000 shares which represent a 69.5 percent equity in the issued and outstanding common stock of the company. If convertible subordinated debentures are converted and outstanding warrants are exercised, this equity would be reduced to 45.6 percent. The company's equity in the net assets at June 30, 1969 is $736,800. The following is a condensed balance sheet of Richard Franchise Investment, Inc., at June 30, 1969.

ASSETS

Cash and time deposits	$1,830,383
Net property and equipment	112,771
Deferred charges and other assets	129,448
Total assets	$2,072,602

LIABILITIES

Current liabilities	$ 89,430
5% convertible subordinated debentures	923,000
Total liabilities	1,012,430

CAPITAL

Common stock, $.01 par value, 575,400 shares issued	5,754
Capital in excess of par value	1,056,504
Deficit consisting of net loss from August 31, 1968 (date of inception) to June 30, 1969	(4,086)
Total capital	1,058,172
Total liabilities and capital	$2,072,602

Richard Packing Co. has granted options for purchase of 5,000 shares, at $6.25 per share, of Richard Franchise Investment, Inc., common stock owned by the company (Richard Packing Co.) to be exercised within five years from May 31, 1969.

B. The company acquired its 73.7 percent equity (660,000 shares) in Resort Products International, Inc., by cash investment in the company of $5,600 and issue of 2,500 shares of Richard Packing Co. common stock, at an estimated value of $70,000 ($28 per share), to the former stockholders of KDM Enterprises, Inc., a predecessor company. The liabilities assumed in connection with the acquisition of the KDM assets exceeded the tangible assets acquired by approximately $3,000. Operations of Resort Products International, Inc., which commenced on July 1, 1969, consist of the manufacture and leasing of recreational vehicles called fun buggies. At September 30, 1969, liabilities exceeded assets in the amount of $79,841 (represents loss for the three month period from inception on July 1, 1969 to September 30, 1969 of $87,441 less initial capital of $7,600) and advances had been increased to $156,583. A registration statement for a public offering of 80,000 shares of common stock with warrants attached to purchase an additional 120,000 shares of common stock was filed with the Securities and Exchange Commission on December 29, 1969.

C. Prior to June 30, 1969, Richard Packing Co. had advanced $28,600 to Resort Products, Inc., a company engaged in the manufacture and sale of a roundabout boat, which company was owned and controlled by the operating management of Resort Products International, Inc. Effective as at October 1, 1969, the assets of Resort Products, Inc., were acquired by Resort Products International, Inc., in consideration for assumption of its liabilities which exceeded the assets by $45,000. This excess arises from operating losses from date of inception to September 30, 1969. Richard Packing Co. has guaranteed the payment of advances from Resort Products International, Inc. to Resort Products, Inc., ($70,808 at September 30, 1969)

3. Other Security Investments, at Cost:

	No. Shares	Cost	Approximate Market Value at March 20, 1970(a)
Publicly traded securities:			
Arvin Industries, Inc.	2,000	$ 26,008.80	$ 69,000.00
Data Lease Financial Corporation	2,000	42,773.88	11,000.00
Data Lease Financial Corporation (15 units)		24,750.00	10,000.00
Empire Associates	4,500	34,750.15	21,300.00*
Fugatemp Corporation	1,800	42,647.00	66,600.00
International Grafics Corporation	4,300	27,817.32	17,400.00*
Metco	5,000	27,000.00	11,900.00
Pyrotronics Industries	5,000	32,661.25	18,100.00
Special Transportation Services	4,000	62,233.50	42,900.00*
Temple Industries, Incorporated	100	2,500.00	2,000.00*
Viking Polymers, Incorporated	13,450	20,797.08	13,500.00*
Totals		344,969.01	$283,700.00
Status Marketing Corporation	90,000	900.00(b)	
Total		$345,869.01	

(a) The approximate market values at March 20, 1970 are based upon unpublished quotes of average prices. The securities are traded over-the-counter on local markets and the quotes may not indicate actual sales to be realized if the securities were actually offered for sale. Market values marked with an asterisk represent amounts realized from sales subsequent to June 30, 1969.

(b) The investment in Status Marketing Corporation (Status) was made by the company as a promoter. The company's president serves on the Board of Directors of Status and the companies have certain business relationships, including preparation of the Circus Wagon franchise program and development of this program as the franchise sales representative. In August 1968, Status had a public offering of 130,000 shares of common stock. Recent unpublished quotes for sale of this registered common stock are for an average price of $5.75 a share. The 90,000 shares owned by the company constitute a 15 percent equity interest and are carried at cost of $900. These shares are Class A stock convertible, with certain limitations as to amounts converted annually, on a share-for-share basis into common stock. The shares are unregistered and any sales may require a registration statement with applicable costs or if sold in a private placement may require substantial discount. Furthermore, trading in the shares has been at a level not sufficient to absorb an offering of this size without possible decline in value. No representation is made that the recent market price of $5.75 a share could be obtained by the company.

4. Depreciation and Leasehold Amortization:

Depreciation and leasehold amortization, computed by the straight-line method, amounted to $16,680.

5. Capitalized Lease Obligation:

The company is committed for annual payments of $4,680 under a lease agreement which expires in April 1973. Under the terms of the lease agreement, the company has the right to purchase the property for a nominal amount upon termination of the lease. If this right was exercised, the purchase price would be $17,773. The company has capitalized this amount and recorded the related liability. The asset is included in machinery and equipment and is being depreciated over its useful life.

6. Deferred Income Taxes:

Deferred income taxes have been provided for differences in reporting certain items of income and expense (principally depreciation, development costs and franchise income) for federal income tax and financial reporting purposes. The provision for income taxes includes $22,000 for deferred income taxes.

7. Stock Warrants and Options:

Pursuant to a stock option plan authorized by the shareholders of the company, 103,750 shares are reserved at June 30, 1969 for options and warrants granted (60,000 shares) and to be granted (43,750 shares) to key employees and others who have rendered valuable services to the company. In the current year options and warrants for an equivalent of 13,437 shares were exercised under the plan for an aggregate amount of $23,100. Options and warrants granted and not exercised at June 30, 1969 are as follows:

Number of Shares	Exercise Price	Expiration Date
11,562	$1.44	10-7-72
17,188	$3.84	9-9-71
31,250	$9.60	9-9-71
60,000		

8. Stock Splits:

In April 1969, the Board of Directors authorized two 25% stock split-ups, 25% to be issued to holders of record at May 29, 1969 and 25% to be issued to holders of record at August 2, 1969. The financial statements at June 30, 1969 have been adjusted to give effect to these stock split-ups.

9. The company has entered into an agreement with its subsidiary, Resort Products International, Inc., to provide at no charge certain administrative services until June 30, 1974 and subject to its owning at least 30% of the outstanding shares of the subsidiary. The services of the personnel provided are not to require such persons to devote more than 30% of their time to the operations of the subsidiary.

ACCOUNTANTS' REPORT

LYBRAND, ROSS BROS. & MONTGOMERY

CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Richard Packing Co.
St. Paul, Minnesota

We have examined the balance sheet of Richard Packing Co. at June 30, 1969. Our examination was made in accordance with generally accepted auditing standards, and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In accordance with the terms of our engagement, we have not examined the statements of income and shareholders' equity for the year ended June 30, 1969 which have been prepared from the books and records without audit. Accordingly, we express no opinion on the statements of income and shareholders' equity.

In our opinion, subject to the ultimate realization of investments and advances to subsidiary and associated companies through profitable operations of these companies and the obtaining of adequate financing for these companies which are newly organized and operating with newly developed products as explained in Note 2 to financial statements, the accompanying balance sheet presents fairly the financial position of Richard Packing Co. at June 30, 1969 in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Lybrand, Ross Bros. & Montgomery

LYBRAND, ROSS BROS. & MONTGOMERY

St. Paul, Minnesota
December 29, 1969 (except March 20, 1970 as to Notes 2 and 3)

ONLY COPY AVAILABLE

Richard Petty Corp

Confirmation

	FRANCHISEE	DATE CLOSED	LOCATION	Original Franchise Fee	Fee Rec'd 7-1-69	Fee Payments	Fees Refunded	Forfeited 6-30-70	Agreement Signed	Retained Earnings 7-1-69	Retained Earnings Withdrawn FYE 6-30-70	Net Income FYE 6-30-70	Retained Earnings 6-30-70
1.	David Ray Enterprises Lloyd Hansen - Board Member Suite 515 Wilshire Square 3345 Wilshire Blvd. Los Angeles Calif. 90005	5-7-69	Available	70000	—	—	—	—	5-11-69	70000	(10000)	10000 (10000)	—
2.	Joseph A. Murray Condominium El Conrad Roosevelt Avenue Santa Fe Puerta Rico 00917	—	Withdrawn by Murray for inability to locate suitable site Rio Piedras	40000	—	—	—	—	not signed	40000	(40000)	—	—
3.	Walking Equipment, Inc. P.O. Box 37 Glenwood Illinois 60425	6-23-69 and 12-31-69	Orchard Plaza Rockford	60000	50000	13000	5000	30000	6-24-69	70000 20000 20000	(5000) — (2000)	— 10000 —	15000 10000 —
—	Northridge California		CORPORATE STORE	—	—	—	—	—	2-24-70	—	—	—	—
4.	Wagon Wheel Corp. 1001 Mahoning Bank Bldg Youngstown, Ohio 44503 • 20,000 full [illegible] paid • 10,000 [illegible] paid 2-5 each - 2½% - ALL PAID ① payable upon completion + opening of 2nd unit (est target date 1-1-70)	7-21-69 and 2-10	Ohio - Akron Twinsburg Center Ohio Belvidere	80000	— —	15000 20000 5000 5000 20000	—	20000 60000	6-4-70 3-6-70 2-24-70	— 20000 20000 20000 20000 20000 20000 20000 20000 20000 20000	— 20000 — — — — — — — — —	— 20000 70000 20000 20000 20000 20000 20000 20000 20000 —	— 70000 20000 20000 20000 20000 20000 20000 20000 20000 —
—	Downey California		CORPORATE STORE	—	—	—	—	—	6-23-70	—	—	—	—
5.	INDOORS, Inc. 81 Prairie Mine Rd Sudbury Mass % E. Grant Johnson	8-7-69	Mass - Worcester County - Natick	80000	for land	7500 17500 7500 17500 2500	—	17500 — 17500 17500	— 7-11-70 — —	— 20000 20000 20000 20000	— 20000 — —	— 20000 — —	— 20000 — —
6.	Metropolitan Clothing Wagon Inc 1540 Ames Avenue St. Paul Minnesota 55106	7-16-70	St Paul Minn	60000	—	2500 2500 2500	—	17500 17500 17500	— — —	20000 20000 20000	—	—	20000 20000 20000
7.	SRAB Foods Ltd. 395 Hingen Harbor Road North Woodman A 2, N.S.	4-23-69	Nearing Completion Land leased Changed to deposited only for [illegible] of			2500 17500	—	—	—	20000 —	—	—	20000

	FRANCHISEE	DATE GRANTED	LOT	Original Franchise Fee	FRANCHISE FEE ARRANGEMENTS: Fee after 7-1-69	Fee before	Fee after	Fee after 6-30-70	DATE OF LEASE	Reference Franchise Fee Income: 7-1-69	Deferred Fee to	Income Fee %	6-30-70
8	JACK J. CRISTINA, SR. 11215 Florida Baton Rouge, Louisiana	11-5-69	BATON ROUGE (2)	40,000	—	36,000	80,000	70,000			70,000		7,500
	① note due - 100/00 minimum		and 1½ of gross sales - no settlement			4000	2000						
9	Heaman [illegible] HEINGARTEN 60 Avenue NY, 10701	10	Rand Rites NY	70,000	—	70000	70000	—	letter and type for ability to [illegible]		70,000 (20,000)		—
10.	[illegible] Van Lee Franchise 60 Avenue e. California 94109	9-26-69	San Angelo California Walla Walla	70,000	Corona considering procedures of Ridge Location	4500 18500	4000 12,500				70000 (17,500)		—
11.	Fran Foods, Inc. c/o Neary, Greenwald, Esq. Blue Cross Bldg 60 Franklin Street Written Name, Texas	3-11-70	Block of Texas	100000	—	50000 100000	50000 150000	—			50,000 100000 (40,000)		5000 —
12.	K P Enterprises, Inc. 1801 SW 12th Ave. Miami, Florida	11-21-69	West Palm Beach Florida	70000	—	70000	70,000	—			70,000 (20,000)		2000
		9-9-70	letter received re demand for 2100 Carey, Dragon, Austell, Cole White 610 Mayfield Bldg Miami, Florida 33132			1½ real - boy 90th Legal fees delivered P.A.							
13.	Ridge Inn Richard Johnson Rec 98 Chanaedge Drive Lincolnshire Deerfield Illinois 60015	3-26-70	Chicago	70000		75000	75000	—			70,000 (70,000)		—
14	Joseph R. Roskoski 1935 E. Palisade South Bend, Indiana	No agmt	—	—		7500	75000	—			7500 (7500)		—

no agreement signed

ONLY COPY AVAILABLE

1794

	Franchisee	Date Operated	Location	Original Franchise Fee	Fee 7-1-69	Fee Approved	Fee Paid	Fee 6-30-90	Date Opened
15.	Charles H. Simmons 10878 Inez Whittier, California	now closed signed	Whittier			$500	$500		
16.	Corron-Fields Mortgage Co 2405 Cross Road Durham, N.C. 27705	no agreement signed				$500	$500		
					$50000	$35500	$58500	$27000	

	Deferred Franchise Fee Income			
	7-1-69	Deferred to Income 90	6-30-90	
		$500		
		($500)		
		$500		
		($500)		
	$170000	$86500	$41500	

ONLY COPY AVAILABLE

ONLY COPY AVAILABLE

~~ANCHISO~~ JOPPA II'S EXTRACT FROM 12-61

JUNE 30TH 69 - BALANCE

FRANCHISEE	UNITS	DR BANK	DR A/C FR DELAYED	CR DEFERRING FRAN
	6	70,000	50,000	120,000
LAFFEY	1	20,000		20,000
MURRAY	2	40,000		40,000
N. LAND	?	10,000	50,000	60,000

7/1/69 — 12/31/69

INGRAM	4	✓	25,000	② 55,000	80,000
CONLON	1	✓	6,500	13,500	20,000
GLYNN	1	✓	20,000		20,000
NEWGATE	1	✓	20,000		20,000
CRISTINA	2	✓	36,000	4,000	40,000
DURKIN	1	✓	2,500	③ 17,500	20,000
PERLS	1	✓	2,500	① 17,500	20,000
RUDEK	3	✓	7,500	52,500	60,000
12/31/69 ENTRY		✓	120,000	160,000	280,000
6/30/69 BALANCE		✓	70,000	50,000	120,000
AMATO		✓			-20,000
12/31/69 BALANCE		✓	190,000	210,000	380,000
		✓		① (17,500)	
		✓		② (2,500)	
		✓		③ 17,500	
		✓			
		✓		150,000	180,000
DUBLIN	9	✓	30,000		

Account No. 401

DEFERRED FRANCHISE INCOME

* 415,000.00

MARKETING SYNDICATE	25,000.00
INDENTS	60,000.00
GLYNN (SRAB)	20,000.00
CRISTINA	20,000.00
DURKIN	50,000.00
PERIS (K.P.)	20,000.00
MUDEK	60,000.00
WAGON INDUSTRY	160,000.00
*	415,000.00

AG - (27,500)

387,500

ONLY COPY AVAILABLE

Recruit + Acca
Franchise Income
$70,500.00

Marketing	Syndicate	25,000.00
Indexes	x	20,000.00
Wagonmasters	x	20,000.00
Run 100		2,500.00
		$70,500.00

Business - [illegible] (non refundable deposit) 7,500.00
Wagonmaster [illegible] [illegible]

$500 deposit in each — [WANTS INTO INCOME]

ONLY COPY AVAILABLE

Acct no. 104

Accounts Receivable. Franchise Deposit

$ 227.000.0

Marketing	Syndicate	30.000.00
Indevors		52.500.00
Cristina		2.000.00
Mudek		52.500.00
Walon Master		90.000.00
		$ 227.000.00

ONLY COPY AVAILABLE

GOVT. EXH. 14A
CONFIRMATION

1799A

962-6666

KELLY, ANDREWS, & BRADLEY, INC.
250 BROADWAY
NEW YORK, N. Y. 10007

CUSTOMER'S ADVICE

TRADE DATE 3/4/69

1000	[redacted]		28	28,000.00			

FROM

RICHARD PACKING
1525 N. CONCORD STREET
S. ST. PAUL, MINNESOTA
55075

INSTRUCTIONS
2

MAR 25 PAID

BY _____
AUTHORIZED SIGNATURE

BUY 1 ☐ PRINCIPAL
2 ☐ AGENT

SETTLEMENT DATE: _____

TIME	NO. SHARES	DESCRIPTION	PRICE		
3/4 1:53 PM	1000	Richard Packing	28	TOTAL	
				COMM	
		BOUGHT FROM: Richards Packing		FED. TAX	
		ACCOUNT OF: 1525 N. Concord St		STATE TAX	
		TRADING ☐ S. St. Paul, Minneapolis 55075 ADDRESS			
		CUSTOMER ☐ New Issue		NET AMOUNT	

☐ ☐☐☐☐☐☐
ACCOUNT NO.

KELLY, ANDREWS, & BRADLEY, INC.

REG. REP. TRADER

ONLY COPY AVAILABLE

GOVT. EXH. 14B

CONFIRMATION

ADE OF
212) 962-6666

KELLY, ANDREWS, & BRADLEY, INC.
250 BROADWAY
NEW YORK, N. Y. 10007

CUSTOMER'S ADVICE
TRADE DATE
3/18/69

00	[redacted]	28	14,000.00			

ROM

INSTRUCTIONS

RICHARD PACKING
153 No. CONCORD
SOUTH ST. PAUL, MINNESOTA

MAR 25 PAID

BY _____
AUTHORIZED SIGNATURE

BUY 1 ☐ PRINCIPAL
2 ☐ AGENT

SETTLEMENT DATE: _____

TIME	NO. SHARES	DESCRIPTION	PRICE		
'69 MAR 18 PM 1:06	500	RICHARD PKG	28	TOTAL	[illegible]
				COMM	
	BOUGHT FROM:	RICHARD PACKING		FED. TAX	
	ACCOUNT OF:	153 No Concord		STATE TAX	
	TRADING ☐	South St. Paul, Minn. ADDRESS			
	CUSTOMER ☐			NET AMOUNT	

☐ ☐☐☐☐☐
ACCOUNT NO.

KELLY, ANDREWS, & BRADLEY, INC.

REG. REP. _____ TRADER _____

ONLY COPY AVAILABLE

GOVT. EXH. 15A
CONFIRMATION

DE OF
12) 962-66 36

KELLY, ANDREWS, & BRADLEY, INC.
250 BROADWAY
NEW YORK, N. Y. 10007

CUSTOMER'S ADVICE
TRADE DATE
2/28/69

O	[redacted]	28	14,000.00				

OM

INSTRUCTIONS
2

RICHARD PACKING
153 No. CONCORD
SOUTH ST. PAUL, MINNESOTA

APR 1 PAID

BY _____
AUTHORIZED SIGNATURE

BUY
1 ☐ PRINCIPAL
2 ☐ AGENT

SETTLEMENT
DATE: _____

TIME '69 MAR 18 PM 1:23

NO. SHARES	DESCRIPTION	PRICE		
500	RICHARD PACKING	28	TOTAL	14,000.00
			COMM.	
			FED. TAX	

BOUGHT FROM: RICHARD PACKING

ACCOUNT OF: 153 No. Concord

TRADING ☐ Street St. Paul Minn 55107
ADDRESS

CUSTOMER ☐

NET AMOUNT

KELLY, ANDREWS, & BRADLEY, INC.

☐ ☐☐☐☐☐
ACCOUNT NO.

REG. REP. TRADER

ONLY COPY AVAILABLE

1799D

GOVT. EXH. 16--CONFIRMATION

SELL 1 ☐ PRINCIPAL
2 ☐ AGENT

SETTLEMENT DATE:

TIME	NO. SHARES	DESCRIPTION	PRICE
'69 MAR 18 PM 1:05	5000	RICHARD PACKAGE VT	28 1/

TOTAL 142,500.00
COMM. 520
FED. TAX
STATE TAX
NET AMOUNT 141,980.00

SOLD TO: LOEB & JAFF
ACCOUNT OF: 42 Wall
TRADING ☐ RICHARD PKG
ADDRESS
CUSTOMER ☐ 433 Rd Council Bluffs St Paul, Mn

ACCOUNT NO.

KELLY, ANDREWS, & BRADLEY, INC.

REG. REP. TRADER

ONLY COPY AVAILABLE

1799E

GOVT. EXH. 17A--CONFIRMATION

SELL 1 ☐ PRINCIPAL 2 ☐ AGENT

SETTLEMENT DATE:

TIME	NO. SHARES	DESCRIPTION	PRICE
	1500	Richard Packing	28 1/4

'69 APR -4 PM 1:48

TOTAL 42375-
COMM 375
FED TAX
STATE TAX
NET AMOUNT 42000

SOLD TO: Harry Morginstin

ACCOUNT OF:

TRADING ☐ (Corp) Pl. ADDRESS

CUSTOMER ☐

ACCOUNT NO.

KELLY, ANDREWS, & BRADLEY, INC.

REG. REP TRADER

TRADE OF

(212) 962-6666

KELLY, ANDREWS, & BRADLEY, INC.
111 JOHN STREET
NEW YORK, N. Y. 10038

CUSTOMER'S ADVICE

TRADE DATE April 4, 1969
SETTLEMENT DATE April 11, 1969

QUANTITY	DESCRIPTION	PRICE	AMOUNT	INTEREST	COMM.	TAX	NET AMOUNT
1500	New Issue Prospectus Enclosed RICHARD PACKING	28 1/4	42,375.00		375.00		42,000.00

FROM

Richard Packing
1523 North Concord
St. Paul, Minnesota

INSTRUCTIONS

3

XXXX

BY AUTHORIZED SIGNATURE

(212) 962-6666

KELLY, ANDREWS, & BRADLEY, INC.
111 JOHN STREET
NEW YORK, N. Y. 10038

CUSTOMER'S ADVICE

TRADE DATE April 4, 1969
SETTLEMENT DATE April 11, 1969

QUANTITY	DESCRIPTION	PRICE	AMOUNT	INTEREST	COMM.	TAX	NET AMOUNT
1500	New Issue Prospectus Enclosed RICHARD PACKING	28 1/4	42,375.00				42,375.00

INS	PSTGE	EXCH	COM	TAX D	TAX F	TAX S

NET CREDIT

TO

Harry Morginstin
10 Ave. "P"
Brooklyn, New York

XXX

INSTRUCTIONS:

5

ONLY COPY AVAILABLE

1799F

GOVT. EXH. 18A--CONFIRMATION

SELL 1 ☐ PRINCIPAL 2 ☐ AGENT

SETTLEMENT DATE: _____

TIME	NO. SHARES	DESCRIPTION	PRICE
'69 APR -4 PM 1:48	1500	RICHARD PACKING	28¼

SOLD TO: William Harris

ACCOUNT OF: 2418 Brigham

TRADING ☐ Richard Pkg ADDRESS

CUSTOMER ☐

ACCOUNT NO. ☐ ☐☐☐☐☐☐

TOTAL	42,375-
COMM	375-
FED. TAX	
STATE TAX	
NET AMOUNT	42,000-

KELLY, ANDREWS, & BRADLEY, INC.

REG. REP. _____ TRADER _____

TRADE OF (212) 962-6666

KELLY, ANDREWS, & BRADLEY, INC.
111 JOHN STREET
NEW YORK, N. Y. 10038

CUSTOMER'S ADVICE

TRADE DATE April 4, 1969
SETTLEMENT DATE April 11, 1969

QUANTITY	DESCRIPTION	PRICE	AMOUNT	INTEREST	COMM.	TAX	NET AMOUNT
1500	New Issue Prospectus Enclosed RICHARD PACKING	28 ¼	42,375.00		375.00		42,000.00

FROM 1

RICHARD PACKING
1583 CONCORD STREET
ST. PAUL, MINNESOTA

INSTRUCTIONS 3

XXX

BY _____ AUTHORIZED SIGNATURE

(212) 962-6666

KELLY, ANDREWS, & BRADLEY, INC.
111 JOHN STREET
NEW YORK, N. Y. 10038

CUSTOMER'S ADVICE

TRADE DATE April 4, 1969
SETTLEMENT DATE April 11, 1969

QUANTITY	DESCRIPTION	PRICE	AMOUNT	INTEREST	COMM.	TAX	NET AMOUNT
1500	New Issue Prospectus Enclosed RICHARD PACKING	28 ¼	42,375.00				42,375.00

INS	PSTGE	EXCH	COM	TAX D	TAX F	TAX S
XXX						

WILLIAM HARRIS
2418 BRIGHAM
BROOKLYN, NEW YORK

INSTRUCTIONS: 5

NET CREDIT

ONLY COPY AVAILABLE

GOVT. EXH. A-D -- Checks

ANDREWS & BRADLEY, INC.

No. 1697

March 25 1969 1-17/210

Richard Packing Co. $154.00

One hundred Fifty four Thousand and 00/100 DOLLARS

BANK NEW YORK TRUST COMPANY
20 PINE STREET
NEW YORK, N. Y.

⑆021000021⑆ 066-00145⑈ ⑈000154000000⑈

ANDREWS & BRADLEY, INC.

No. 1733

April 1 19 69 1-17/210

Richard Packing Co. $400.00

The Sum DOLLARS

BANK NEW YORK TRUST COMPANY
20 PINE STREET
NEW YORK, N. Y.

APR 1 0 1969

⑆021000021⑆ 066-00145⑈ ⑈000400000⑈

ANDREWS & BRADLEY, INC.

No. 1839

April 15 1969 1-12/210

Richard Packing Co. $400.00

The Sum DOLLARS

BANK NEW YORK TRUST COMPANY
20 PINE STREET
NEW YORK, N. Y.

APR 21 1969

⑆021000021⑆ 066-00145⑈ ⑈000400000⑈

ONLY COPY AVAILABLE

1801

KELLY, ANDREWS & BRADLEY, INC.

No. 1852 66

April 16 1969 1-13 210

PAY TO THE ORDER OF Reliant Packing Co. $47.00 85/100

THE SUM OF FORTY-SEVEN AND 85/100 DOLLARS

CHEMICAL BANK NEW YORK TRUST COMPANY
20 PINE STREET
NEW YORK, N. Y.

Lucas & Brooks

⑆021000021⑆ 066 00 14 55⑈ ⑈0001 200000⑈

ONLY COPY AVAILABLE

GOVT. EXH. 21-A -- Reiss & Co. Reports

PRIVATBANK ... TELEGRAMMADRESSE: REISSBANK

REISS & CO. BANKIERS

POSTCHECK 80-6544 ... TELEX ...

Messrs. Kelly, Andrews & Bradley, Inc.
250 Broadway

NEW YORK

Zürich, July 7, 1968

SILVER

The market ignored announcement of the Vietnam bombing halt and, instead, posted a br sk rally on the news. Apparently, such an even had already been discounted and perhaps those who were hoping for a sell off in order to establish long positions decided to buy anyway when the break failed to materialize. Thus, during the past few sessions, the market has exhibited a fairly firm undertone. The improvement in gold prices at London might also have been a contributing influence. The flooding of the West Driefontein mine in South Africa with a loss of around 2.650.000 fine ounces of gold per fiscal year probably for a period of 2 years has been a factor in the London market. At this week's GSA sale bids were for smaller quantities, possibly reflecting the effect of November 5th holiday. Prices paid ranged from $ 1.8520-$ 1.8870 for coinage silver, unchanged to almost 1c lower, while commercial grade was sold at $ 1.94-$ 1.9537, about 1c higher. Sales to large users amounted to 1.940.000 troy ounces of which 1.481.000 consisted of coinage grades. Next week, 2.457.000 ounces will be offered to large and small businesses. The meeting of the Joint Commission on the Coinage has been changed to December 5 instead of November 12th. On the agenda are the questions of whether to continue production of the silver half dollar as well as the ban on private melting. The ban could be continued under present administrative authority, ended, or legislation could

be recommended to make the ban permanent. Many observers feel the Treasury would like to have the ban made permanent by an act of Congress. Thecontinunance of the ban and a proposal to make it permanent likely would be interpreted as bullish of futures. The Commission also will decide on the disposition pf 2.9 million silver dollars held by the Treasury. With a Republican Administration, there could be a complete re-evaluation of the silver sales policy. Of course, this is still a couple of months away. However, market sentiment could be quickly affected by any statements made by the Nixon team in regard to their thinking on silver and or monetary matters. Futures could remain a trading vehicle with a tendency to rally somewhat further.

without our liability

GOVT' EXH. 21b -- Reiss & Co. Reports

REISS & CO BANKIERS

F. HOFFMANN - LA ROCHE & CO.
AKTIENGESELLSCHAFT
BASEL

October 1968 Trading name: Roche

Financial Research Department LB/ 3269

Messrs.
Kelly Andrews & Cie. Brandly Inc.
250 Broadway

New York

	Price 1967/68				Gross
	Approx. Price	High	Low	Dividends	Yield
Bearer shares	Fr. 143.800.--	Fr. 160.000.--	66'000.	Fr. 720.--	0.5%
Bearer bonds de jouissance	Fr. 138.800.--	Fr. 156.000.--	62.000.		

COMMENT

Roche is without question the largest producer of pharmaceutics in the world, with its psychopharmaceutics (Librium, Valium) leading in sales, followed by special vitamin preparations and sulfonamides (drugs to combat infectious diseases). As a result of the tighenting of the American drug laws - The U.S. market is of great importance to Roche - the company is pressing forward into other areas of operations (purchase of the wellknown scent prodicer, Givaudan, acquisition of a sizable parcel of Société Instuments de Physique stock, collaboration with other comapnies for the production of electronic equipment for diagnostic and therapeutic purposes,etc.) The company has a dynamic management, which has been able to achieve outstanding success, especially in the psychopharmaceutical sector. The outlook for dhte future continues to be promising. Despite a regular increase in dividends, the yield, however, is low, and there appears to no chance for subscription rights in the future, as the corporation is able to finance its above average expansion from retained earnings. BOTH THE SHARES AND THE BONS DE JOUISSANCE OF ROCHE CAN BE CONSIDERED INTERESTING LONG-TERM INVESTMENT POLLIBILIES.

OPERATIONS / EXPANSION

The company was founded in 1896 as an individually-owned firm and converted into a corporation in 1918. In contrast with the other Basle chemical companies, Roche was, from its inception, predominantly a producer of pharmaceutics. In adition to the production of VITAMINS (approx. 1/5 pf consolidated sales), chemical products for medical, hygienic and scientific purposes, preservatives for foodstuffs,

disinfectants, cosmetics, diatetic foods, SCENTS AND FLAVORINGS (approx. 1/8) and, recently, FOOD COLORINGS, operations today still focus primarily on PHARMACEUTICS (approx. 2/3). With the special products "Librium", " Valium" and "Limbitrol", psychopharmaceutics are believed to account for about half of Roche's pharmaceutical products also includes soporifics and sedatives, analgesics (Saridon(preparations to camat heart and circulatory ailments, nervous and digestive disturbances (Petrium) as well as medicaments for the treatment of tuberculosis (Rimifon), etc.

With the 1963 acquisitionof the Geneva company, Givaudan (scents and flavorings) and other holdings, Roche was able to expand significantly its operations in this highly promising sector.

COSMETICS, which as yet do not, however, play such an important role in terms of sales, are produced and marketed by the subsidiaries, Laboratoires Sauter SA, Geneva, and Panteen AG, Basle.
The joint efforts being carried out with other companies aim chiefly at developing and marketing electronic aquipment for diagnostic and therapeutic purposes. Similar plans also exist with Société Genevoise d' Instruments de Physique (SIP) in which Roche has a minority interest (25%).

From Basle Roche exercises direct control over its subsidiaries operating in continental Europe as well as in the Near and Midle East. The other parent company, Sapac Corp., Saint John (Canada), directs operations in North and Latin America, in the sterling zone, in the Pacific area and in the Far East. Roche has 22 chemical production facilities, 35 pharmaceutical plants and 120 sales offices throughout the world. The most important plants are locaded in Nutley, U.S.A. (6'000 employees), in Basle and Sisseln (4'000), in Grenzach,West Germany(1'700), as well as in Great Britain (1'000), France(800), Italy (700) Spain(500) , Mexico (300), Canada, Argentina, Brazil, Turkey, India and Australia, products are also manufactured under licence in Japan and in other places. At the end of 1967 the company employed about 22'000 persons. Research operations are carried out in Basle, Welwyn Garden City (England) and in Nutley (U.S.A.)

EARNINGS

No figures are published showing consolidated sales, although it is estimated that in 1967 they came to about 3,5 billion francs.
According to the Annual Report, consolidated sales displayed a gain during the past year. The psychopharmaceutical division (Librium, Valium, Limbitrol) registered ABOVE AVERAGE GROWTH . Ther was also a continued increase in demand for vitamins as well as for scents and flavorings, while cosmetics were able to maintain a solid grip on their share of the market. Thands to increased rationalization and a rise in sales of those products yielding the highest earnings, total earnings, total earnings gained - despite mounting pressure on prices.

The profit and loss statement is not consolidated and therefore provides no criteria for determining actual consolidated profits. It is likely, however, that they are aereval times higher than the Fr. 44.8 million reported by the parend company. Assuming a profit margin of 15% (the average of the U.S. drug industry) net profits on estimated sales of Fr. 3.5 billion would com to Fr. 525 million, or

Fr. 8.200 per share/bon de jouissance. It is true that the average profit margins of American companies are often somewhat higher than those of European concerns operative in the same industry, but it must be remembered that approximately 40% of Roche's consolidated sales are made in North America with highearning psychopharmaceutics, whose profit margin is in all likelihood 20%, accounting for around two thirds of the company's Americal sales. On this basis, a P/E ratio of 17 can be calculated as of the end of July. Although other estimates are lower (12 - 15 x), the aforementioned price/ earmomgs ratio does not appear excessive in comparison with the stocks of Roche's American competitors.

BALANCE SHEET

Roche does not publish a consolidated balance sheet, which thus makes only an estimate of the company's financial position possilbe. The balance sheet figures of the two groups contain substantial hidden reserves. The fixed assets of Hoffamnn- La Roche as of December 31. 1967 are given a figure in the balance sheet of Fr. 1 and those of the Sapac Corp. as of September 30. 1967, of $ 1. The plant and equipment in Basle alone have an insured value of Fr. 362 million. Patents are also shown with a value of Fr. 1 in the balance sheet. From this alone, it can be seen that the company has over the years very likely built up consideralbe hidden reserves, which, together with its very good earnings position, assures it of a high selffinancing potential. Roche has no long-term debt and enjoys a good level of liquidity. The firm's financial position can in every respect be considered sound.

CAPITAL EXPENDITURES / FINANCING

For years, Roche has self-finanded its CAPITAL EXPENDITURES. It is estimated that during the year under report about Fr. 300 million have been spent for this purpose. Whereas the other Basle chemical companies have to set aside an average of 10 - 14% of their current sales for capital expenditures, Roche can get by with about 8 - 10% , due to the fact that pharmaceutics, as compared with bulk chemicals, require less sizable outlays. It can be assumed that spedning i n 1968 could climb to around Fr. 400 million as a result of the rapid expansion of the company and the construction of two basic research centers in tne United States (cost: $ 4 - 5 mill.) and in Basle.

An additional Fr. 300 million are believed to have been spend during the year just ended for RESEARCH AND DEVELOPMENT.
The company's high self-financing potential will enable it to continue financing its principal projects from RETAINED EARNINGS. In this connection it should also be remembered that Hoffmann- La Roche has not made us of the capital market for more than forty years.

PROSPECTS

Subsequent to the price pressure on vitamin preparations, the same problem has recently been encountered in respect to scents and flavorings. This has forced Roche to undertake steps towards even more rational and modern production methods. In addition, steict health legislation has gone into effect in various countries that is not particularly promotive of the sale of Roche products. In the United States, sales of Librium already began to fall off in 1967, and the market for psychophamraceutics may decline in the United States in the years to come owing to the Drug abuse Control Act. Moreover, the expansion of social insurance and the trend towards requiringthe pharmaceutical industry to pay tribute

to the health of the population by lowering its prices may affect the industry's profit margins. Stiff scientific competition, the fact that certain products become obsolete rapidly, and high expenditures for research are additional points that should be considered when investing in this sector.

On the other hand, the DINAMIC management of the company, along with its effective research division, may very well succeed in achieving ABOVE AVERAGE success in the future as well and in overcoming the problems that are presenting themselves. New, very promising products are undergoing clinical testing (preparations for regulating blood pressure, for treatment of diabetes and other hormone disturbances, Parkinson's disease, epilepsy and malaria as well as the symptoms of coronary disease and pulmonary embolism). Furthermore, a good market is expected for the new psychopharmaceutical combination preparation "LIMBITROL" (for treatment of anxiety-toned depressive states) and "MENRIUM" (to combat difficulties coupled with the climateric). In the sector of MEDICAL ELECTRONICS, two newly-developments devices (blood-pressure measuring apparatus and equipment for the observation of foetal development) are in the clinical testing stage. Roche has also recently become operative in the field of CLINICAL CHEMISTRY (distribution of chemical reagents for medical analysis and construction of specialized alboratories). The company is also indtending to introduce in Europe the AUDIOVISUAL METHODS FOR TRAINING MEDICAL DOCTORS (storage of sound and image on a television basis) that have already been placedon the American market with good success by Roche's U.S. subsidiaries.

Hoffmann-La Roche's LONG-TERM PROSPECTS REMAIN VERY PROMISING, and an annual growth of 10 - 15% may be expected.

DATA PER SHARE AND PER BON DE JOUISSANCE (IN FRANCS)

	Dividend			Price of Shares		Price of Bonds de Jouissance	
Year	Roche 1)	Sapac 2)	Total	High	Low	High	Low
1963	200	200	400	55'000 -	41'250	53'900 -	40'200
1964	240	240	480	59'000 -	45'950	56'700 -	45'900
1965	280	280	560	78'500 -	55'400	73'000 -	54'600
1966	320	320	640	93'000 -	62'500	87'500 -	59'200
1967	360	360	720	100'000 -	66'000	94'400 -	62'000

1) Gross 2) Net (exempt from Swiss withholding tax)

Without our liability

GOVT. EXH. 21c -- REISS & CO. REPORTS

PRIVATBANK · BEETHOVENSTRASSE 32 · ZÜRICH 2 · POSTFACH · 8027 ZÜRICH

REISS & CO. BANKIERS

POSTSCHECK 80-63544 · TELEFON 051/25 37 22 · TELEX 54277/52171 · TELEGRAMM REISSBANK

Messrs. Kelly, Andrews & Bradley, Inc.
250 Broadway

New York / USA

November 7, 1968

PLATINUM AND PALLADIUM

The platinum has displayed a firmer undertone lately. However the market still shows no disposition to move very far in either direction. Most of the volume in recent sessions has consisted of spreading operations involving the spot month. The dealer market is quiet with platinum quoted around the $ 270 level; consumers however, appear to be operating on a hand-to-mouth basis. There seems to be an undercurrent of feeling that dealer prices could decline substantially by the latter part of 1969. It looks as if futures will continue to be a trading affair qith rallies running into opposition approaching the 260 area, basis January. Palladium, meanwhile remains in the doldrums with speculative interest at a low ebb. Liquidation of the Dec. contract, which expires in about a month, is likely to keep a lid on rallies.

without our liabilities.

GOVT. EXH. 21d--Reiss & Co. Reports

PRIVATBANK · BEETHOVENSTRASSE 32 · ZÜRICH 2 · POSTFACH · 8022 ZÜRICH

REISS & CO. BANKIERS

POSTCHECK 80 63544 · TELEFON 051/25 37 22 · TELEX 54277/52171 · TELEGRAMM REISSBANK

Messrs.
Kelly, Andrews & Bradley Inc.
250 Broadway

New York / USA

Zurich, November 7, 1968

COTTON:

Although the total world produciton and use of cotton fiber, in spite of synthetic growth, continues to set new records almost every year, the role of the United States continues to shrink. At one time the U.S. produced two third of all the cotton grown in the entire world, and exported for real money two thirds of our growth. For this crop year our exports will most probably be a meager three to three and one quarter million bales, and our domestic consumption will do well to reach 8½ million. Meanwhile, outside the U.S. production will soar to a new all time record of some forty million bales. Although the harvest is at its peak, trading in spot cotton continues slow. Demand from mills and merchants is small, and producers are not happy with prices. So far there has been no large movement to place cotton in the loan, but this could develop should commercial demand fail to develop soon. During the week ending Oct. 25th 39.544 bales were entered into the loan and 4.861 bales repossessed. For the season to Oct. 25th a total of 122.151 bales have been entered, 9,283 repossessed leaving a net stock of 112 868 bales. Altough the prices of futures, which have recently declined more sharply than spots, stabilized during the past week, the average spot prices of contract grade cotton as quoted in the 12 designated markets continued to decline from 28.46 to 27.98. It is interesting to note that the Fresno market quotes 1-1/16" middling at 28.46, below the 29.00 quoted at Memphis. The Fresno cotton is a speciality

high tensil strength fiber considered by some to be the finest cotton in the world. Last fall ist price soared to 44.00 or above during the period of greatest excitement, far over other growths. Total certificated stock as of Novemberl, was 87.273 of which 73.511 was deliverable on the no. 2 contract. During the week 56 bales were added to the stock and 1.422 withdrawn. In addition 95 bales were awaiting review and micronaire tests and not included in the totals. Exports for the season to November 2nd were reported by the exchange at 667.916 bales versus 813.672 for the same period the year before.

without our liability

GOVT. EXH. 21e--Reiss & Co. Reports

PRIVATBANK · BEETHOVENSTRASSE 12 · ZÜRICH · POSTFACH · 8022 ZÜRICH

REISS & CO. BANKIERS

POSTCHECK 80-61544 TELEFON 051/23 37 22 TELEX 56227/52121 TELEGRAMM REISSBANK

Messrs.
Kelly, Andrews & Bradley, Inc.
250 Broadway

NEW YORK

SILVER: 1.9.69

In the past few weeks, market activity has been dominated by yearend tax considerations and spreading operations. Despite the pronounced strength in gold prices, futures have moved within a relatively narrow range and have failed to be very responsive to this as well as the Mid-East tensions. On the other hand, there hasn't been any real pressure on the market. In the meantime, news pertaining to silver itself has been fairly routine. The Coinage Commission as expected finally recommended that the temporary ban on private coin melting be made permanent and that the half dollar be minted without any silver. The GSA disclosed some minor changes in its silver sales policy. Once the remaining 12.000 ounces of 999 grade at Denver are sold, there will be no further offerings of this grade. However, this is rather unimportant as demand has been centered on coinage grade anyway. Another minor modification starting next week is that, of the weekly offerings of 2 million ounces, 1.663.000 of the coinage silver will be offered to large businesses instead of 1.676.000 and 337.000 will go to small companies rather than 324.000 ounces. The Threasury reported that a total of 105.239.472 ounces of silver was sold during 1969. Of this, 9.185.324 ounces consisted of 999 fineness with the balance coinage grades. If gold prices continue to advance, silver futures could move to a higher trading level in sympathy. However, we dont think a major bull move is imminent.

without our liability

GOVT. EXH. 21f-REISS & CO. REPORTS

REISS & CO. BANKIERS

Messrs. Kelly, Andrews & Bradley Inc.
250 Broadway

NEW YORK

Zurich, March 1969

Nestlé Alimentana AG Cham and Vevey

Comment

With consolidated sales of Fr. 7.85 billion, Nestlé Switzerlands largest company and one of the principal food processing organizations in the world. Its scope of operations extends to all sectors od this industry, which is little affected by cyclical fluctuations. Total capital expenditures (1967: Fr. 366 million) over the last few years have been self-financed. Both of the two principal holdings Nestle Alimentana SA and Unilac, Inc. show high levels of liquidity in their non-consolidated balance sheets. The growing popularty of prepared foods and the fight against hunger and malnutrition constitute good requuistes for the further development of the Nestlé Group. The company is endeyvoring to offset the squeeze on profists by the introduction of new products as well as by undertaking rationalization measures. Despite serveral dividend increases over the past years, the yield remains small. The registerd and bearer shares are currently quoted about 30% below the high reached in 1961 1962, and both are suitable for long-term investment.

Operations

The structure of the group is as followings:
NESTLE ALIMENTANA SA

This is the parent company for the entire organization and, in addition, directly controls the subsidiaries in Europe, the USA, Japan and - through voting trustees- the Canadian subsidiary, which in turm owns ths founders stock of Unilac, Inc.(the only stock with voting rights) and Holdings Ltd.

UNILAC, INC

Protection of the Groups interest in the Western Hemisphere (excl. The USA) and Oceania

NESTLE HOLDINGS LTD

Control of holdings in the sterling zone (excl. Great Britain) Among the Nestle Groups principal holdings are Maggi Unternch-

mungen AG, Switzerland (100%) Findus International AG,Switzerland (80%), Sarotti AG, West Germany (73%), Crosse & Blackwell (Holdings) Ltd. Great Britain (100%) Libby,Mcneil & Libby, USA (36%) Fropax Ltd. Great Britain (50%) and Locatelli SpA,Italy. Furthermore, an agreement has been concluded with Standard Oil Co.(N.J.) to do joint research for the manufacture of protein-rich products through biosynthesis. 51% of Nestlé Alimentana SA holdings are located in continental Europe, 36% in the USA and 10% in the sterling zone.

The production program is broken down into four categories:

- Milk, diatetic products (Eledon, Pelargon etc.) cheeses and butter (estimated 30% of consolidated sales)
- Soups, bouillons, seasonings, prepared foods, ice cream, frozen foods (approx. 25%)
- Chocolate, cocoa and confectionery products (approx 15%)
- Instant beverages (approx 30%)

At the end of 1967 the organization employed a total of about 87.000 persons in 77 administrative offices, 221 plants (122 in Europe, 53 in Latin America, 15 in North America) as well as in 552 sales and distributing offices.

EARNINGS

Since 1968, consolidated sales have risen at an average rate of 9,5% annually. In terms of quantity, the production category of soups, frozen foods, etc. and that of instant beverages have displayed the greatest growth. In 1967, sales increased by only 5.5% to Fr. 7.85 billion, which may be attributable to the lowering of various exchanges rates. Approximately 50% of sales were scored in Europe (2-3% in Switzerland) 30% in America and 20% in the rest of the world. Developing countries accounted for around 21%. Successful 1967 sales results were achieved in Europe in respect to powdered milk, instant coffee, cocoa-based beverages, frozen foods, ice cream, sauces and seasonings. The best selling product in the USA continued to be powered milk.
The combined results of the two groups prinipals (Nestle Alimentana SA and Unilac) reveal that gross income has developed favorably during the last 5 years. It rose by 50% from Fr. 192 million (1963) to Fr. 288 million in 1967 (thus in the past year gross income came to 3.67% of total sales) After deduction of general expenses,taxes allocations to reserves and depreciation, 1967 net earnings for both holding companies totaled Fr. 162 million, an increase of 65.3% over 1963 Fr. 98. million) The reported net earnings of Nestle Alimentana SA (i.e. excl. Unilac)came to Fr. 126.4 million at the end of 1967 (1966: Fr. 109.2 million). It is scarcely possible to calculate the cals flow for the Nestle Group, as depreciation and provisions for plant and equipment are not given for the various companies in the organization. Dividend distribution has dozbled since 1959. Durung this period the dividend paid on nestle shares ahs advanced from Fr. 23.-- to Fr. 47.-- and that on the related Unilac common stock from $ 1.25 to $ 2.00.-

GOVT. EXH. G-REISS & CO. REPORTS

PRIVATBANK · BEETHOVENSTRASSE 47 · ZURICH 2 · POSTFACH · 8027 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80-63544 · TELEFON 051/25 37 22 · TELEX 54277/52121 · TELEGRAMM REISSBANK

Messrs. Kelly, Andrews &
Bradley Inc.
250 Broadway

NEW YORK / USA

Zurich, March 4, 1969

Soybean oil

The price firmness of soybean oil in recent months serves as an illustration that underlying conditions are not always what they seem to be. On the surface, it would appear that the huge surplus of soybeans would be reflected in enormous supplies of soybean oil and corresponding weight on oil prices. Yet, this has not been the case; in fact, there is some possibility that available soybean oil supplies may have all they can do to keep up with demand later in the year.

The most important consideration in that respect is the prospect that soybean oil production will increase only slightly in spite of the record soybean crop. This is due to the indication that the U.S. soybean processing rate is leveling off this year, and to the large quantity of U.S. soybeans that are being removed from the market under the government support program. Total U.S. soybean oil supplies for 1968-69 (Oct. 1 stocks plus production) are estimated at 6.790 million pounds compared to 6.628 million pounds in 1967-68 and 6.538 million pounds in 1966-67.

While supplies are close to those of recent years, utilization is expanding perceptily. During the two months October-November 1968 alone, domestic disappearance of soybean oil totaled 1.000 million pounds, a new high for those 2 months and 14 percent above the year before. While some of the increase may be due to the low prices during that period and their impetus to build up inventories, consumption has a number of other things in its favor.

Among these factors is the prospect that less lard will be available for domestic use because of larger exports under the export payment program. The cahs subsidy on lard should stimulate exports to the United Kingdom, and reduced availability in the U.S. market is expected to cause some shift to soybean oil.

Also, cottonseed oil is being removed from the market by the Commodity Credit Corporation under the price support program. While the U.S. output of cottonseed oil is up about 40 percent this season, purchases have been made by the CCC at favorable prices, resulting in a relatively wide premium for cottonseed oil over soybean oil and thereby enchancing the attraction of soybean oil to consumers.

Even without these aids, there would be reason to expect the long term rise in soybean oil consumption to continue. (See charts on pages 4 and 5). Since 1955-56, the domestic disappearance of soybean oil has doubled. Consumption in each year has exceeded that of the preceding year with one exception.

Exports will depend in large measure on Government export programs, especially to India and Pakistan. During 1967-68, about 85 percent of the billion pounds of soybean oil exported was under P.L. 480 programs.

The curtailment of soybean exports by the dock strike probably reduced crushings and production of soybean oil overseas to the extent that demand for bean oil from the dollar paying countries should pick up. Moreover, world production of edible oils in 1969 is estimated at 19.410.000 short tons, slightly below 1968 output of 19.785.000 tons in 1968. For the time being, at least, these considerations should offset uncertainty over EEC tax policies regarding vegetable oils.

Our long term price chart shows that from 1950 to date soybean oil prices have been well above 8 cents most of the time. Hence, we feel that soybean oil currently is reasonably priced and that the deferred deliveries, now below 8 cents, offer good possibilities for long term price enhancement.

GOVT. EXH. 21 H-REISS & CO. REPORTS

PRIVATBANK · BEETHOVENSTRASSE 47 · ZURICH 2 · POSTFACH · 8029 ZÜRICH

REISS & CO. BANKIERS

POSTCHECK 80-63944 · TELEFON 051/25 37 22 · TELEX 54227 52171 · TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley, Inc.
250, Broadway

New York City

Zurich, March 14, 1969 mw

The Silver Situation.

Although silver has lost considerably its function as a currency metal, its use in industry has risen continually, with demand exceeding the output of the silver mines since the end of the fifties. Increased sales from government stocks and private holdings could lead temporarily to further declines in the price of silver. Over the long term, however, there is the possibility that silver prices will become firmer. The present, somewhat depressed price of approximately $ 1.80 per ounce offers favorable long-range prospects for the silver mine stocks mentioned below.

Basically, two types of silver stocks are to be distinguished, namely shares of small-scale mines that focus chiefly on silver production and those of larger and usually more substantial companies for which silver constitutes a relativerly modest part of their overall operations. An investment aimed at profiting mainly from a possible upturn in the price of silver should be made in shares of the smaller mining companies and therefore requires a greater readiness to assume risk. In this connection the following shares deserve consideration: Callahan Mining (approx. $ 25.--), Hecla Mining ($ 32.--), N.Y. & Honduras rosario Mining ($ 49.--) and Sunshine Mining ($ 22.--)

An investment in silver can also be made by purchasing silver bullion.

Silver contracts can be concluded on a spot or forward basis. In the case of forward transactions, an interest rate based on prevailing market conditions

./.

is applied for the duration of the agreement. Since silver contracts are mainly designated for short-term investment, whereas a possible increase in the silber price could under certain circumstances occur only at a later date, the purchase of silver mine shares is, in our opinion, more appropriate.

Recent Development of the Silver Price

After the price of silver had stood at just barely $ 1.30 per ounce for four years, a substantial upturn got under way in mid-1967 when the U.S. Treasury discontinued selling at $ 1.29 and switched over to weekly auctions of 2 million ounces. The uptrend in the silver price was due chiefly to the recurring discussions about the international monetary situation, and in June 1968 silver reached an unprecedented high of $ 2.59 per ounce. During the last months, the price has undergone a noticeable decline; at the present, it is approx. $ 1.80 per ounce.

Supply and Demand on the World Market

During the postwar period, the free world's silver production has shown an annual increase of only about 1 % and reached an average for the past 10 years of 210 million ounces. Even with higher silver prices the output of the silver mines does not, as a rule, expand immediately, since silver is usually mined in conjunction with copper, zinc and other metals that are found in greater concentration, and the construction of a new mine requires several years. On the other hand, the demand for silver in the free world registered an average yearly rise of 6,5 % in the period from 1958 to 1967 and in the past year amounted to 430 million ounces. Although the coinage demand has declined sharply in the principal industrial nations, requirements for silver for industrial uses continues to grow every year, particularly in the photo, electrical equipment and electronics industries. This is due to the fact that up to now no substitute with the light sensitivity, electrical conductivity and corrosion resistance of silver has been found. The supply deficit (over 200 million ounces in 1967) was previously offset largely by the release of monetary stock from the U.S. Treasury which began melting old coins taken out of circulation. Moreover, the high prices of the last few months have already enticed substantial quantities of hoarded silver and salvage into the market. Most noticeable - despite export prohibitions- has been the increase in the outfolw from India and Pakistan, where private hoards are estimated to total 4 billion ounces.

Research Department

Outlook

Of decisive importance to the future price trends of silver and of shares in silver mining companies will be the manner in which the speculative demand develops. Assuming further coinage of J.F.Kennedy half-dollars and the continuance of weekly auctions of 2 million ounces, the U.S.Treasury's Silver-stocks - about 350 million ounces - will be drained at the rate of 10 million ounces monthly and thus reduced to nil in approx. 3 years, with the result that on the basis of this fact the supply deficit would have to be increasingly offset by drawing on speculative holdings. Although a certain pressure on prices may not be out of the question over the near term, favorable long-range prospects for silver mining shares exist due to the growing supply deficit.

without our liability

21

GOVT. EXH. I-REISS & CO. REPORTS

PRIVATBANK · BEETHOVENSTRASSE 32 · ZURICH 2 · POSTFACH · 8027 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80-63544 · TELEFON 051/25 37 22 · TELEX 54277 RS CH · TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley Inc.

New York City

Zurich, March 14, 1969

Silver

Renewed apprehension over the French monetary situation inspired by weakness in the franc was mirrored in continuous strength in gold which reached a new high of $ 43.- at London last week. Although gold has been ebbing upward for some weeks now while silver has been weak and unreponsive, it finally seems to be having a belated effect. Consequently, silver posted new recovery highs advancing to the best levels in about a month on heavier wolume. Meanwhile, at this week's GSA sale, only 755'000 ounces were sold to large businesses at prices ranging from $ 1.6913 to $ 1.7180 which was about in line with last week's price of $ 1.681 to 1.721. Next week, 3'626'000 ounces will be offered to large businesses. In other silver news, it was reported that the Atomic Energy Commission had returned 2,145 tons to the Treasury, this is part of the 165 million ounces that is supposed to be in the stockpile. The Commission is expected to return the last remaining 70 tons of borrowed silver shortly. An improved technical picture in futures along with a change in trader psychology could enable the recovery to carry somewhat further. However, unless ther is a monetary crisis and or a big runup in Gold, we would expect futures to run into troubles approaching $ 2.-- basis July at this time.

PRIVATBANK · BEETHOVENSTRASSE 32 · ZURICH 2 POSTFACH 8027 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80-23544 TELEFON 051/25 07 22 TELEX 54277/52171 TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley Inc.

New York City

Zurich, March 14, 1969

Platinium and Palladium

The platinium continued its recovery with strength in other precious metals inspiring some of the buying. Spot markets remain dull with consumers showing little inclination to carry inventories and covering only immediate needs. There hasn't benn any further news relative to the proposed stockpile release of 115'000 ounces. At the moment, it lokks as if the more favorable sentiment in the precious metals could keep this market buoyant. Liquidation of the March palladium contract which expired on the 14th has been the main feature of that market. As of last week, there were 1,419 contracts open in March. Deliveries could be heavy since certificated stocks total 3,095 lots. Futures aren't likely to do much in view of the large speculative holdings overhanging the market.

GOVT. EXH. K-REISS & CO. REPORTS

PRIVATBANK · BEETHOVENSTRASSE 12 · ZURICH 2 · POSTFACH · 8022 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80-63544 · TELEFON 051/25 07 22 · TELEX 812/52171 · TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley Inc.

New York

Zurich, March 21, 1969 mw

Silver-Market

A lessening of fears over devaluation of the French Franc as well as an easing in gold prices waw reflected in silver which declined sharply from last week's recovery highs. At this week's GSA sale, 2'176'000.- ounces were sold at prices ranging from $ 1.7549 to $1.7906. This contrasts with sales last week of only 755'000.- ounces at prices of $ 1.6913 to $ 1.7180. Next week, offerings to 1 large businesses will total 3'338'000 ounces. Treasury silver stocks in USA at the end of February are estimated in the neighborhood of 167*ounces of *million which 107 million were in silver coins, 25 million in mixed silver and gold bullion and 20 million in melted coins. In addition, there were 15 million oun. in clad material for use in making this year's half dollar. At the end of 1968 industrial stocks of silver were placed by the Bureau of Mines at 77,2 million oun. compared with 52 million a year earlier. Consumption in the fourth quarter of 1968 increased with most of the gain in photographic uses. However total consumption for the year dropped 15 %. Net exports in 1968 totaled 55 million oun. compared with 15,2 million in 1967. This reflected the export of large quantities of silver acquired from the redemption of silver certificates. We lood for a continuation of a fast moving trading market with rallies likely to encounter difficulty approaching $ 1.95, basis July.

REISS & CO BANKIERS

GOVT. EXH. L-REISS & CO. REPORTS

PRIVATBANK · BEETHOVENSTRASSE 32 · ZÜRICH 2 · POSTFACH · 8022 ZÜRICH

REISS & CO. BANKIERS

POSTCHECK 80-61544 · TELEFON 051/25 37 22 · TELEX 54277/52171 · TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley Inc.

New York City

Zurich, March 26, 1969 mw

Platinum and Palladium

Easing in other precious metal prices was reflected in futures. However volume was rather light. There has been no concrete news on the platinum stockpile release bill still in the U.S. Congress, although there were rumors that the bill would be withdrawn. In addition, there was talk that the Office of Emergency Planning is discussing the possibility of setting up a new platinium stockpile objective. Currently, the stockpile contains 450'000 ounces of which 115'000 are considered surplus. Futures could remain a narrow trading affair somewhat longer pending further development on the stockpile release. Activity in palladium centers around the March contract which expires on March 14, With ample supplies overhanging the market and demand solw, futures aren't likely to hold rallies.

Copper

Strong spot markets in New York and London caused futures to rise in routine dealings. At London, demand from Red China and West Germany was noted. Meanwhile prices for Nr. 2 scrap rose to 45½ ¢, up 1½ ¢ from last week, with some lots trading at 47½ ¢. Merchant metal for April shipment was quoted ar 56½ c to 56 3/4 ¢. Fabricators report a good lebel of order bookings and they continue to rely on dealer metal to fulfill part of their copper requirements. The nearby contracts probably will continue to display a firm undertone.

Reiss & Co Bankiers

GOVT' EXH. M-REISS & CO. REPORTS

PRIVATBANK · BEETHOVENSTRASSE 32 · ZURICH 2 POSTFACH 8027 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80 61544 TELEFON 051/25 37 22 TELEX 54277/52171 · TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley Inc.
250 Broadway

New York N.Y.

Zurich, April 1, 1969 mw

Trading on the London Silber-Market

The London Market meets daily to fixe the price forsilver. There are no restrictions on dealings in silver and although the usual minimum quantity for any contract is 5'000.-- ounces, some dealers are prepared to sell or buy smaller amounts if a client so desires. There is no limit to the amount that may be purchased, other than the natural limitations which the physical supply of the metal might impose. Purchases may be made in terms of any currency, although as a rule the contracts of many brokers are concluded in terms of Sterling or US $.

Silver may be purchased spot or forward. The prices for spot and forward (3 months ahead) which ar "fixed" daily are the prices which sellers of silver would receive nett - buyers paying this price plus the commission of ½ %. Prices for delivery on dates other than for 3 months ahead are a matter for negotiation, some brokers are prepared to quote for any delivery up to 12 months ahead. The forward price would be a reflection of the spot price plus an interest factor for the period involved. Private clients would be required to deposit a margin of 10 % of the contract price for any forward purchase. Silver may be purchased on margin. In this case normally the brokers ask for a margin of 10 % of the contract price and are prepared to finance the balance of 90 % at interest rates calculated at 1 % above the prime loan rate of the currency involved. These terms may be varied according to the status of the c client and the period of the contract.

Research Department

Rules of the London Silver-Market (Without our responsability)

General:

1. The following are the conditions under which business in liver is normally transacted in the London Silver Market.
2. By giving an order to or accepting a contract from a London Broker the client accepts the terms of these conditions.
3. The broker does not pass names or act or contract as Agent. His contracts are Principals' Contracts, but he charges brokerage on all silver purchases from him at fixing.
4. A Broker is at liverty to accept or refuse any order and is under no obligation to execute orders received by him.

Quotations

5. The official prices are fixed once daily (Monday to Friday) there are four pfices, one for cash or "spot" delivery, and three for forward delivery, maturing three, six and twelve months from the date of the contract, Saturday contracts falling due on the previous Friday and Sunday contracts on the following Monday.
6. Spot contracts are for delivery on, or within seven days of, the contract date at the options of the seller; forward contracts are for delivery on the specified dates. Instructions must be given not later than the business day prior to Maturity date regarding the liquidation or extension of such contracts.
7. Prices are quoted in pence per troy ounce .999 fine and the ounce .999 fine is the unit of accountancy in the London Market.
8. The London Brokers meet for fixing at 12.15 p.m. Orders for execution at the fixing should therefore be received before this time; dealings at other times are subject to negociation.
9. The normal basis on which prices are fixed is that all effective offerings for sale must be absorbed, so that selling orders received in time are executed at the fixed prices. It may happen on occasions that offerings at the fixed prices are insufficient to satisfy buyers, wheras higher prices would have produced a preponderance of selling, thus making it impracticable to fix at the higher level, or there may be an excess of buying over selling orders at the fixed prices; in such circumstances the Broker may not always be able to execute buying orders in full at the fixed prices.
10. If Buyers send orders for silver which is required before the expiration of seven days, they may, if there is a scarcity of ready silver, be unsuccessful in securing it, except at a premium over the official spot quotation.

Contracts:

11. The term "contract" does not imply any particular quantity.

Brokerage:

12. The Brokerage charged on all silver purchases made at the fixing is 1/4 % the minimum brokerage is £ 10.--
13. Sales are effected free of brokerage.

Delivery:

14. All contracts are for delivery at the office of a Broker; any charges incurred for collection, shipment, cartage, warehousing etc will be payable by the client.

Research Department

15. Deliveries of silver bars in fulfilment of contracts must be made in commercial bars assaying 999/1000 which is the only quality recognised; fractions of milliemes are ignored.
16. Silver of qualities lower than 999/1000 can of course be sold inthe London Market, but is subject to charges incurred in refining it up to the required level to make it of good delivery. It is of course not abailable for the fulfilment of a contract until the refining has been completed.
Commercial Silver bars vary in weight, but approved bars weighing up to about 1,250 ounces troy are acceptable.
17. As a seller is entitled to deliver any bars recognised as good delivery, the Broker is naturally unable to guarantee to make delivery in bars of a particular brand; the Brokder will, however, do his best to meet the wishes of the client in this respect.

Extensions of Contracts:

18. If it is desired to prolong a contract for a further period instead of making or taking delivery, the prolongation can normally be effected by the re-sale (od re-purchase) of the contract and the purchase (od sale) of forward on the same terms as those governing ordinary purchases or sales. Instructions regarding the liquidation of a contract falling due should in any case be received at the latest in time for fixing on the business day prior to maturity, in the absence of which the Broker reserves the right to extend or close the contract.

Margin:

19. Margin required on forward contracts is by arrangement.
20. Differences on closed contracts are only payable on the due date, prior to this,however, any such difference in a client's favour may be considered as margin on fresh operations.

Storage of Silver:

21. Storage of silver can be arranged on the following terms:-
a) Actual bars can be allocated and a weight ist rendered, in which case the storage charge is 2/6 per 1'000 oun. per month or part thereof; this charge includes insurance.
b) The silver can be held by the Broker without allocating any special bars; in this case storage is charged at a rate to be agreed. Insurance on unallocated silver is covered by the Broker in bulk, and the cost of such insurance is included in the storage charge.

Power to suspend:

22. The London Brokers reserve to themselves the right to suspend or vary these conditions, or any of them with or without notice, if in their opinion they consider that circumstances have rendered such a course desirable.

21

GOVT. EXH. N - REISS & CO. REPORTS

PRIVATBANK · BEETHOVENSTRASSE 32 · ZURICH 2 · POSTFACH · 8027 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80-63544 · TELEFON 051/25 37 22 · TELEX 54222/52171 · TELEGRAMM REISSBANK

Research Department

Messrs.

Kelly, Andrews & Bradley Inc.

250 Broadway

New York City

Zurich, April 15, 1969 mw

Sugar

During the shortened two week holiday period we have seen some erratic movements with August down to 38.20 and up to 41.25 with some phrenetic swings in between.
The intial ease was caused by pre-holiday profit-taking and reports of a sale of cheap white sugar to Tate & Lyle. No details were released but it appears that refiners are taking some inferior grade sugars to alleviate the present shortage of raws. Reports that Turkey was a seller of 200'000 tons of sugar also took the commission houses unaware but not so the trade who have known about the impending sale for some time.
A report from Venezuela indicated that they were a little unhappy with the sugar agreement and their exportquota of 17'000 tons compared to their surplus of 60'000.- tons. They made threatening moises suggesting they would h: have to seek alternative markets outside the agreement if some improvement was not made.
All this "bearish" influence was later annulified by rumours of unrest in Cuba, which were later denied; also by a sale of five cargoes of Brazilian second-hand raws by Golodetz to Sweden and Malaysia. As Golodetz were thought to be the one house who had any weight of second-hand sugars available for immediate sale this deal had a profound effect on the market. The U.S.department of agriculture then announced that they would raise their import quota requirements by 100'000 tons to 10.8 million short tons and at the dame time declared a short-fall on the Puerto-Rican quota of 200'000 tons. The Philipinnes are generally assumed to be also heading for further short-falls. Anyway this takes another 300'000 tons out of the world market.
The international sugar council is now meeting in London and an executive committee meeting was held yesterday. The market is still waiting to see if the one hundred percent quota will be restored and the reckoning is that this could bring a further 700'000 tons of supplies into the market. Given the present tone of the market this increase would only have a temporary effect.
The May position goes out in New Y. tomorrow and while it has not yet shown any real tightness this could come now that Golodetz have unloaded some of t their supplies. "The market is still in an uptrend" is all one can say; it has come up three pounds now with virtually no reaction and one must be overdue but so many people are waiting for it fo buy that it will probably be small. We would join the buyers on this dip.

GOVT. EXH. O-REISS & CO. REPORTS

PRIVATBANK · BEETHOVENSTRASSE 32 · ZURICH 2 POSTFACH 8022 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80 61544 · TELEFON 051/25 37 22 · TELEX 54277/52171 · TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley Inc.
250 Broadway

New York City

Zurich, April 23, 1969 mw

German bank rate

Thursday's rise of 1 per cent, from 3 to 4 per cent, in the German discount rate (equivalent to British bank rate) came as no surprise. It had been known for some time that the Bundesbank wanted to follow the upward march in world interest rates. On the other hand, it is not a helpful move, when Germany's surplus on overseas current account remains so stubbornly high. Although the raising of the discount rate has no large direct effect on foreigh bond rates, it is likely to mean that 7½ per cent coupons on these German loans to foreign borrowers will be necessary for a time.

The trouble with the German capital markt is that though interest rates are attractive-comparativerlyspeaking-it is neither as large or as fluid as some of the German banks and some of their foreign borrowers have assumed. Like a boa-constrictor it can swallow a goat well enough, but it takes a bit of time and inactivity to digest it. This basically is the main pressure that has pushed up interest rates, and looks to have postponed any largish issues until next month. Unfortunately Britain's Gas Council's loan has taken the brunt of the market's disaffection, and the German banks associated with the £ 30 million issue are curently hawking it around rather desperately. In spite of the British Government guarantee the loan will not go down well because the Gas Council isnot really known as a borrower. On the other hand Courtaulds is, so Deutsche Bank and Hill Samuel have managed to nip in with the company's £ 16,7 million loan with a 6 3/4 per cent coupon at 99. This is fine for Courtaulds, but it would be optimistic to expect the loan to open at other than a small discount. It is never clear how well the sponsoring banks have arranged firm placing, and the insurance companies will not be able to subscribe for Courtaulds issue.

In any case, hopes that the British nationalised industries would be able to finance their capital needs in the German market have been sharply knocked on the head. There might at one time have been a prospect of the Electricity Council jumping the foreigh bond queue, but it is now clear that it will have to wait some months. It is all very well for political leaders to agree on broad principles of internatidnal willingness, but like any other market the German one depends on investor interest. The problem is that the present system of rationing foreigh loans suggests that revaluation of the D-mark might be imminent by the time the Electricity Council (or any other British public corporation)comes to the head of the queue.

PRIVATBANK · BEETHOVENSTRASSE 32 · ZURICH 2 · POSTFACH · 8027 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80-63544 · TELEFON 051/25 37 22 · TELEX 54277/52101 · TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley Inc.
250 Broadway

New York City

Zurich, April 24, 1969 mw

News from the silver market

In a continuation of recent trading patterns, futures moved narrowly without feature. Even the incident over the downing of the U.S. plane over international waters by the North Koreans failed to have any noticeable effect on the market. At this week's GSA sale, 2'050'000 ounces were sold to large companies at prices ranging from $ 1.6853 to $ 1.730. Next week, 1'791'000 ounces will be offered to large firms. The Census Bureau placed the value of silver export in February at $ 17'647'839 a sharp increase from the $ 8'653'449 in January, but below the 23'485'817 in the year ago period. February imports a also rose to $ 8'244'277 from the $ 6'718'764 in January and were above the $ 7'696'103 of a year ago. Since spot prices in February of this year were roughly 10 cents per ounce below a year earlier, the changei in dollar value would not seem to be too significant. We don't see a major price shaping up near term, although there is always the chance of a modidication of the of the Treasury's silver selling policy which could have untold impact on the market.

Sugar

World futures have turned into a real swinging affair. The market during the last week has all at once, become a high volume trading vehicle. Now 10 and 20 points swings are becoming common. Significant news seems to be getting less and less with everyone having to rework last week's news to stimulate an idea. The Japanese interest seems to have been filled by Cuba at LDP plus 29 shillings on 2 to 4 cargoes. Saison undoubtedly will come in for additional supplies in the near future and it is thought that Uruguay still will hold a buying tender. There were 4 cargoes delivered on the May contract, all by Golodetz with Amerop receiving 3½ cargoes and another trading house the other half cargo. There is much specolation as to where these cargoes will ultimately he placed since Amerop also took the delivery of 2½ cargoes in March. We feel the market could eventually work higher, but at the moment we would be very cautions as the market very easly has the wind taken out of its sails.

GOVT. EXH. Q-REISS & CO. REPORTS

PRIVATBANK · BEETHOVENSTRASSE 32 · ZURICH 2 · POSTFACH · 8027 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80 63544 · TELEFON 051/25 37 22 · TELEX 54277/52171 · TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley Inc.

New York City

Zurich, April 28, 1969 mw

Gold

South Africa argues that the Americans were-and are- standing the IMF charter on its head in seeking to deny its "right" to sell gold at will at $ 35.- an ounce. This week the South Africans drove that point home with their own little foray into topsy-turvy-land. Under Section 7 (b) of Article V a country has, in certain circumstances, no choice but to repurchase its currency with gold. Whatever the reason for this provision, it was not designed to help IMF members over their payments difficulties. Yet it provides just the kind of help that South Africa needs.

What has happened is that South Africa has drawn its automatic gold tranche ($ 50 million) and its automatic super tranche ($ 16 million) representing earlier rand borrowings by some other country through the IMF) all in US and Canadian dollars and Japanese yen. It happened this week. In less than a fortnight (on April 30th, its year end) the IMF will discover, on examining its holdings of South Africa currency and the increase in South Africans reserves since last May, that it must call on Pretoria to repay a large part of these borrowings in gold. Section 7 (b) says so. Pretoria will of course be delighted to comply.

The super tranche method has been employed before, to the tune of a least $ 62 million. The way it works is that south Africa allows rands to be included in IMF loan packages (last year, for instance, France got $ 23 mill. worth, Britain $ 19 mill. Peru and New Zealand $ 10 mill. each) on condition that this currency is exchanged for gold in Pretoria. In the hands of the borrower, this gold becomes fully assimilated into the international payments system. At a later stage, presumably as now, South Africa wipes out its credits at the IMF (that is, draws its super tranche) in convertible currencies.

There are other paragraphes in the IMF charter which imply (S.A. would no doupt put it stronger) that countries may make voluntary repurchases, using gold, whenever it suits them. It has been suggested that S.A. may plan to explore this strategy next - even to the point of drawing its automatic tranches and promptly repaying in gold, with monotonous regulary.

It is an unlikely prospect. It must have occurred to Pretoria that such a ploy would quickly get hung up on the same hook as its bid to clarify Section 6 (a) of the disputed Article-covering the sale of gold to the fund- that is, give rise to protracted debate.

PRIVATBANK · BEETHOVENSTRASSE 12 · ZURICH · POSTFACH · 8027 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80 61544 · TELEFON 051/23 37 22 · TELEX 52 22 23 REI · TELEGRAMME: REISBANK

Research Department

Messrs.
Kelly, Anderson & Dreibig, Inc.

New York City

Zurich, April 29, 1969 rw

Silver-market

The recent breach through the resistance-line was not caused by founded informations, it seems that only technical factors were responsible. On declining prices it seems that the silver-manufacturing industry was on the buyer side.

We would suggest to hold -shorts- and, at rallies, to make new -short- sales. We found this opinion with the fact that, at this time, sufficient silver is at ones disposal and the price shows unequivocally a downtrend.

PRIVATBANK · BEETHOVENSTRASSE 12 · ZURICH · POSTFACH · 8027 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80 63544 · TELEFON 051/25 37 22 · TELEX 56 22 73 RIZH · TELEGRAMM REISSBANK

Research Department

Messrs.

Kelly, Andrews & Bradley Inc.

New York City

Zurich, 5th May 1969 mw

Silver

After trading mostly within 1000 point range for the past two months, futures finally broke out on the downside on heavy volume earl, last week touching off a wave of long liquidation as new lows were posted. However, the market subsequently erased most losses as world tensions and weakness in the Franc and Pound ahead of the French referedum stimulated buying and short covering. Despite the sharpness of the break the open committment failed to shrink which suggests that new buyers have replaced old longs. As far as pertinent silver news is concerned, the last week's auctions were routine with prices lower in line with the decline in futures. A total of 1'602'000 ounces was sold to large companies at prices ranging from 1.6656 to 1.6955 compared to 1.6953 to 1.73 the week before. This week GSA will offer 1'603'000 ounces to large companies. Technical factors likely will continue to dominate price action in futures with monetary and political developments playing their part. However, unless there is a severe monetary and/or political crisis in France in the next few days, we would expect rallies to be limited.

PRIVATBANK · BEETHOVENSTRASSE 12 · ZURICH 2 · POSTFACH · 8027 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80-63544 · TELEFON (01) 25 37 22 · TELEX 52722 RA CH · TELEGRAMM REISSBANK

Zurich Department

Messrs.

Kelly, Andrews & Bradley, Inc.

250 Broadway

New York City

Zurich, 20th May 1960

Silver and precious metals

The German government's refusal to revalue the mark calmed the international monetary situation and weighed upon silver prices. The weakness was accentuated by the U.S.Treasury lifting the ban on the private melting of old silver coins. Treasury proposals included a reduction from 2 million ounces to 1½ million in the amount that the GSA is authorized to offer at the weekly sales; the opening of the sales to all competitive bidders, without restriction; the lifting of the export ban; and an end to the minting of any coin containing silver. Many of the old silver coins may never be available to the market because of the low level of prices, the costs involved int the collection of the coins and in the melting, separating, and refining of the silver. Limits on the present profitability of private melting should prevent any large, wholesale, overnight addition to silver supplies. Furthermore, any increase in supplies from this source might well be offset by the smaller quantity on offer by th GSA. Hence, we are inclined to believe that the market is near a bottom with prices helped if new currency disturbances arise.

In addition we would point out that, according some reports, new processes in the photo-industry were invented on which less silver is needed; a further reason to exert pressure on the market. But we do not know how this new method is already developed.

The easing of currency feard, prompted by the failure of Germany to revalue the Mark, brought weakness to both the platinium and palladium markets last week.

REISS & CO

21
GOVT. EXH' U-REISS & CO REPORTS

PRIVATBANK · BEETHOVENSTRASSE 32 · ZURICH 2 · POSTFACH · 8027 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80 63544 · TELEFON 051/25 17 22 · TELEX 54217/52171 · TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley Inc.
250 Broadway
New York City

Zurich, June 16, 1969 mw

Economic Activity in Japan

Final figures for the nation's balance of payments in March showed that the overlall balance had a surplus of $ 190 million and the trade balance a surplus of $ 43o million.
Although figures for April are preliminary and incomplete, they indicate that the balance of payments once again registered a large surplus, this time $ 160 mill.
The trade account showed a surplus of $ 35o million and thade balance, after seasonal adjustment, had a surplus of $ 390 million, the largest ever.
Exports during April were 26 % higher than during the same month of last year and imports were only 6 % higher.
Exports of automobils increased by 44 %, synthetic fibers by 40,4 % and iron and steel by 18,7 % on a customs clearance basis. By markets, shipment to EEC countries, Canada and the developing countries in Asia continued to increase vigorously.
Prospects for exports in the near-term are very bright. The volume of export contracts concluded during the period from January to March indicates that exports in the second quarter of this year will increase by around 25 % over the same period of last year. Continuing economic expansion in the Continental European countries and greatly strengheded competitive power of the nation's industry appear to insure further growth in the nation's exports.
The nation's gold and foreign exchange reserves decreased by 110 $ million during April. They stood at $ 3,103 million at the end of April. this was the first decrease since April 1968. The decrease in these reserves was related largely to repayments of external short-term borrowings by domestic banks.
The nation's gold and foreign exchange reserves increased by $ 1,25o million in Fiscal 1968 and reached $ 3,213 million at the end of March. From now on, however, the rate of increase in reserves is likely to slow down. It is possible that the official exchange reserves may have decreased a little during May.

21

GOVT EXH V - REISS & CO REPORTS

PRIVATBANK ... ZÜRICH ... POSTSCHECK ... ZÜRICH

REISS & CO. BANKIERS

POSTCHECK 80-63544 TELEFON ... TELEX ... TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley Inc.
250, Broadway

New York City

Zurich, July 2, 1969 mw

Silver in June 1969

After a period of relative stability silver prices in June have declined with hardly any interruptions to the downward trend. This has been due in part to delayed reactionafter the announcement of the U.S.Treasury on the 12 th May that malting of U.S. silver coins could be effected by all citizens. Some sales of U.S. coin silver were made through the London Market but when prices fell below 170 d in London, these offerings ceased althozgh the weakness which Had been generated through the sales continued throughout the month in a nervous market.

The month opened with the cash price at 178 d. and there was comparatively little change until the loth when weak advices from New York led to a fall to 169 d. on that day. On the 17th again after a weak New York market, the cash price fell by 8½ d. to 160 d. and this led to a fresh bout of weakness which continued throughout the month when a low of 156½ d. was quoted on 27th before improving on 30th June to 157 d. in London. The differences between spot and forward dates in London have been subject to two influences. Firstly, higher interest rates tended to widen the differences in the early part of the month but later after prices had weakened there was little buying interst in the forward dates and premiums tended to narrow.

Turnover in the market has remained at a fairly high level with weaker speculative holders liquidating some of their holdings and the market tends to become healthier for this reason. New speculative buying and consumer buying have provided support for the speculative liquidation and for production selling but the outlook remains somewhat obscure and even lower prices may be seen in the near future.

Similar conditionshave prevailed in the New York market where turnover has been substantial but the total of outstanding contracts there still remains at about 350 million ounces overall.

21

GOVT EXH W - REISS & CO REPORTS

REISS & CO. BANKIERS

POSTCHECK ... TELEPHON 051/25 03 22 TELEX 54222/52101 TELEGRAMMADRESSE

Research Department

Messrs.
Kelly, Andrews & Bradley, Inc.
111, John Street

New York N.Y.

Zurich, September 5, 1969 mw

Silver

Values have continued to move like a yo-yo on a very short string. At approximately twelve pence above their recent low, prices seem to have found a lebel at which buyers and sellers are closely matched. It seems that this status quo is likely to remain but as autumn approaches with consumers showing more interest and with the troubled world becoming even more complicated any break from this range must surely be on the upside although any such move is likely to be shortlived.

Copper

Like a capsule which has kicked out of orbit copper prices trabel on upwards with as yet no sigh of life from the retro-rocket. Any news which might have a damping effect on the market such as an increase in LME stocks is brushed aside and further thrust is provided by Zambianisation, the Middle East, Libya and the strikes in Canada, not forgetting currency fears. This latter point is to us more than abscure for buying an already over inflated commodity as a currency hedge is hardly a prudent operation. The shortage in America due to the displacement of stocks is likely to be aggravated as consumer oftake increased after the holidays and interest in Europe is also likely to show signs of stepping up. For this reason and because the spiral appears to have become really " "groovy" we cannot o pose the market but the retro-rocket is there and is in working order.

Sugar

The darkest hour was just before the dawn. When all seemed lost and futures apparently destined to plummet even lower the U.S.D. statement came as pleasant relief to those weary longs still holdin g on. The effectiveness of the regulations enforced has yet to be proved although it would seem that political motivations could give stregth in this direction. The latest rally has now run out of steam and it seems likely that the gradual erosion of price structure could again develop. Until further factors appear we would continue to adopt a cautious attitude and although lowest levels may have been seen we feel it is still prudent to work from a modest short position.

GOVT EXH 21X-REISS & CO REPORTS

PRIVATBANK · BEETHOVENSTRASSE 12 · ZÜRICH 2 · POSTFACH · 8027 ZÜRICH

REISS & CO. BANKIERS

POSTCHECK 80 61544 · TELEFON 051/22 37 22 · TELEX 54227/52171 · TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley Inc.
111, John Street

New York N.Y. 10038

Zurich, 30th September 1969 mw

Union Bank of Switzerland	Price	1968/69 High	Low	Dividend	Gross Yield
Bearer shares	Fr. 4'550.--	5'575.--	3'313.-	95.--	2,1 %

Comment

With a balance sheet total of Fr. 19,6 billion at the end of March 1969, the UBS ranks among Switzerland's three largest banks. The takeover of Interhandel in early 1967 proved of particular importance for the recent development of the institution, allowing it to occupy first place among the major Swiss banks if measured by the bank's own resources of more than 1 billion Francs. UBS compares also favorably in an international ranking of banking institurions by size. It currently operates 126 business offices within Switzerland and maintaines permanent representations at numerous finance centers throughout the world. A branch office was established in London during 1967. UBS commenced mortage and saving deposit operations on a large scale in the spring of 1968, in addition to entering the personal loansector, and thereby became a full-service bank. During the last six years the balance sheet total has risen from Fr. 6,96 billion to Fr. 18'47 (+165,4 %) and reportet net earnings increased from Fr. 39,6 million to Fr. 94,94 million (+139,7 %) The bank added to its capital funds in October 1968 with a capital increase that was accompanied by the placement of a convertible bond issue. In view of the bank's prospects for future expansion, both the bearer stock and the convertible bond can be considered an interesting growth instrument for longer-term investment.

Expansion

The UBS, which succeeds the Bank in Winterthur, dates back to the year 1862. The present name was adopted in 1912 as the result of the merger between the Bank in Winterthr and the Toggenburter Bank. This was followed in 1945 by the takeover of the transferable assets and all of the liabilities of the Eidgenössische Bank. the following banking and financial institurions became part of the Union bank through mergers more recently: Interhandel, Basle 1967, Banca Popolare di Lugano, 1967, HYSPA, Aarau 1968, etc. UBS has interest as will as the Deutsche Länderbank, Frankfurt a/Main , the banco de Investimento e Desenvolvimento Industrial S.A. Sao Paulo, the Private Investment Company for Asia, Tokio, etc.
The following banks have become affiliated with UBS since 1968 by way of takeovers or through majority holdings: Abri Bank Bern, AKO Bank, Zürich, Aufina AG, Brugg, Banque Orca S.A. geneva, Rheintalische Creditanstalt AG, Altstätten. Moreover the UBS acts as custodian of the 13 investment trusts(Amca, Canac, Denac, Espac, Eurit,

Fonsa, Francit, Germac, Globinvest, Itac, Pacific-Invest, Sarit, Sima) managed by Intrag AG Ltd, Management of Investment Trusts, Zurich (founded in 1938), with total assets of these funds amounting to Fr. 2,92 billion at the end of 1968. As a consequence of the takeover of the assets and liabilities of the Sawag AG für Sachwertanlagen, Zurich, UBS also functions as the trustee of the Swissreal real estate investment trusts. ---The branch network, which was partly established by the opening of new offices and partly by the takeover of other banking institutions registered a rapid expansion, particularl in recent years, and consists at resent of 130 offices within the country's borders. The first foreign branch was inaugurated in London in 1967, furthermore the bank is represented permanently in Beirut, Buones Aires, Hongkong, Johanneburg, Mexico, New York, Riode Janeiro, Sao Paulo and Tokio.

Outlook

The favorable overall climate in the economies of the leading industrial nations should head to a further increase in foreign demand during 1969, however at a somewhat lower rate than was observed in the last year. With due condideration to domestic developments, this allows by and large an optimistic forecast for the future economic development in Switzerland. The possibility of a somewhat more accelerated pace in domerstic capital outlays should therefore not be excluded, which might imply in turn, that heavier use would be made of bank credits. In view of the unsoved problems in the international monetary sphere, peridic uncertainties may again come to the fore, bringing with them both positive and negative implications for the Swissbanks. Although the business prospects of the bank are-due to its close connections to Switzerlands economy and its international business relations- to a considerable extent determined by external factors, favorable results may be anticipated in future years for the UBS in view of its dynamic and foreward-looking management backed by a strong financial basis. Moreover it appears likely that shareholders will participate in capital increases invalving attractive rights issues, as additional expansion of the balance sheet totals will make further strengthening of the bank's capital funds imperative.

Data from Profit and Loss Statement (in Million Francs)

Year	Interest received	Other Income	Interest paid	Personnel Costs	Other Operat. Expenses	Taxes Assesm.	Depre-ciation	Netprofit
1964	215	129	134	87	33	30	11	49
1965	250	148	170	96	35	30	13	54
1966	298	166	208	108	48	34	13	61
1967	370	226	258	127	63	42	27	79
1968	527	296	392	160	97	44	35	95

Other Selected Data

Year	Cap.Funds in mill Fr.	Balance Sheet in Mill Fr.	Dividend p/share in Fr. paid	adj.	prices in Fr. High	Low
1964	531	8858	60.-	50.66	3208.-	2675.--
1965	575	9574	70.--	64.68	3259.-	2476.--
1966	965	10122	70.--	69.30	2763.-	2153.-
1967	997	12582	85.-	78.54	3479.-	2255.-
1968	1079	18467	95.--	87.78	5455.-	3313.--

All indication without our liability

GOVT. EXH. 21y--REISS & CO. REPORTS

PRIVATBANK · BEETHOVENSTRASSE 9 · ZURICH 2 · TELEPHON · 8027 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80-6556 · TELEFON 051/23 32 22 · TELEX 52 22 31 · TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley, Inc.
111, John Street
New York City

Zurich, October 21, 1969 mw

Ciba Ltd. Founded 1884, Registered Office: Basle, Switzerland

Price on 21.10.69: Bearer 12725.- Registered: 10150.- Grossdividend Fr. 100.--

High/Low 1969 8775.-/13500.- 7075.-/11600.-

Summary: The shares of CIBA can be considered as an worth-while investment in a leading chemical concern whose activities ectend beyond the traditional sectors of the chemical industry. Capital increases on dood terms for shareholders have been a feature in the past, and more can be expected in the future: as the same rate of dividend has been maintained, distributions have kept pace with the average for the chemical industry.
Ast the beginning of September 1969, it was announced that Ciba and Geigy were a aiming at a merger. On the basis of a detailed ecamination of hte internal worth of the two companies and their future potential, the respective Boards have agreed to a valuation in the ration of 1:1.

Prospects: The good progress made in 1968 shows that Ciba is able to adapt its production programme to market needs and achieve succes in new sectors. The uptrend is likely to continue in 1969. However, account must be taken of rising costs a and the pressure which they exert on poofit margins. The intensive research activity, the systematic deversification and the new measures of re-organization which the company has put into effect are a sound basis for long-term healthy growth.

Status and Organization: Ciba is the third largest chemical group in Switzerland after Hoffmann-La-Roche and Geigy. The geographical distribution of the varous is as follows: European countries (49,1 % of total turnover), North and South-America (35,4 %), Asia, Africa and Australia (15,5&). The Ciba grou comprises 65 manufacturing and sales comanies in which the company has an interest of 50 % or more. The m ost important are Ciba Corp, Summit (USA) and Ciba United Kingdom The Toms River Chemical Corp. (USA) and the Clayton Aniline Co. Ltd. (Britain) are run jointly with Geige and Sandoz, Gretag AG,Switerland, jointly with Philips Lampen, and IlfordLtd.(Britain) jointly with ICI. Ciba also has a majority holding in Société Lumière, Lyons (France).

Activity: Dyes and technical application products Fr. 856 mill. or 32 % of group turnover, pharmaceuticals Fr. 1071 mill. or 4o %, preparations for vascular, heart and circulatory conditions, particularly substances for reducing blood pressure, diuretics, analgesics etc.,plastics, agrochemicals, photochemicals and cosmetics.

Summarized Balance Sheet: as at December 31, in SFr. millions

Assets	1964	1965	1966	1967	1968
Fixed Assets	167	193	226	263	281
Participations/Loans	218	248	272	296	298
Current Assets	428	502	504	558	623
Liabilities					
Share Capital	120	145	145	175	175
Reserves	282	319	328	388	401
Creditors(&Dividends)	206	212	231	240	269
Debeture Loan	50	98	98	98	94
Sundry Provisions	155	169	200	216	263
Total	813	943	1002	1117	1202

Capital Structure:

240'000 reg=shares SFr. 500.- p.v.
110'000 bearer shares " 500.- p.v.
Debenture Loan Sfr. 50'000'000.--
4½% Conv. Loan 1965 " 44'305'000.-- callable on 1.1.70, redeemable 31.12.77, convertible on every time: 5 bonds at Fr. 1000.- + Fr. 606.-- = 1 Ciba bearer share; with protection against dilution.

Analysis of results:

In the last ten years (1959-1968) group sales have gone up by 159 % and the sales of the parent company by 148 %. In 1968 there was an icrease of 14 % in group sales compared with 1967, overseas results being above average with a growth rate which was twice as high as that of European sales. Plastics, agrochemicals and photochemicals, which are grouped together under the heading "Other Fields of Activity" achieved the biggest increase with 21%, while sales of dyes and technical application products rose by 11 % and those of phrmaceuticals by 12 %.

GOVT. EXH. 21z-REISS & CO REPORTS

PRIVATBANK · BEETHOVENSTRASSE 32 · ZURICH 2 · POSTFACH · 8022 ZURICH

REISS & CO. BANKIERS

POSTCHECK 80-63544 · TELEFON 051/25 37 22 · TELEX 54277/52171 · TELEGRAMM REISSBANK

Research Department

Messrs.
Kelly, Andrews & Bradley, Inc.
111, John Street
New York City

Zurich, February 11, 1970 Sch

The Outlook for Commodities

Following four successive years in which consumption exceeded production, a new statistical picture has emerged for cocoa beans, the raw material of the chocolate industry. The outlook for 1970 is that production should be more than enough for grinding requirements, thanks primarily to beneficial weather in the West African producing areas. The picture has also been helped by better crops in Brazil.

As recently as November the outlook was quite uncertain and crop observers in Ghana were estimating that the current main crop would be only slightly larger than the 1968/69 main crop of 297,000 tons. (The March, 1970 futures contract on the N.Y. Cocoa Exchange traded as high as 43 3/4 ¢ in November.) However, later in the month it started to become evident that the heavy rains of the preceding two months had been beneficial to the crop rather than harmful. Each week brought expanding purchase totals (from farmers) and the market headed downward, continuing in that direction through December and January to the current level of around 31 ¢ . (The Ghana main crop now is expected to total at least 365,000 tons.)

The most recent estimate by Gill & Duffus, private statistical authorities, is for world production of 1,305,000 long thons for the 1969/70 crop season vs 1,230,000 in the 1968/69 season. However, their 1969/70 world estimate was based on a Ghana main crop of 350,000 tons whereas later available data indicates at least 365,000 tons. Considering the late Ghana data plus additional later advices from other producing countries, our estimate is that world production should be at least 1,330,000 tons.

On the consuming side, Gill & Duffus estimates 1970 world grinding requirements at 1,286,000 tons vs 1,338,000 tons in 1969. The grinding estimate may be a trifle on the high side but not by too much, in our opinion.

When we take into account a 1 % weight shrinkage, the indicated excess of production over consumption this amounts to approximately 50,000 tons, which is not formidable when one considers the depleted inventories that have resulted from the preceding four years of deficit production. On the other hand,

./.

it should also be noted that manufacturers have learned to live with small inventories and are not inclined to build up inventories, particularly in view of today's high financing costs. As a matter of fact, there is a growing tendency among manufacturers to attain a measure of inventory protection through the purchase of futures contracts.

Considering all factors, the time now seems appropriate to re-assess market prospects following the very sharp decline of the past two to three months. Axiomatically, lower prices for a given commodity should induce large usage. In the case of cocoa beans there should be a delayed reaction, i.e., early in 1970 manufacturers will still be working off high priced inventories purchased in 1969. As the year progresses, these inventories will be worked off an grindings could start to respond to lower raw material costs. As regards production, there should be no further surprises inasmuch as main crops are virtually finished.

The technical condition of the New York futures market has improved considerably as most of the stale long interest has been liquidated. In fact, total open interest in the futures market is unusually small, approximating 17,000 tons compared with the 1964-69 average of 22,000 tons for this time of year.

Inspection of the price charts does not indicate any clear bottom at this time. However, the unfavorable market news should be pretty well digested and it would not be illogical to watch carefully for signs of bottoming.

REISS & CO. BANKERS

EXH 21aa-REISS & CO REPORTS

PRIVATBANK · BEETHOVENSTRASSE 12 · ZÜRICH 2 · POSTFACH 8027

REISS & CO. BANKIERS

POSTCHECK 80-63544 · TELEFON 051/25 37 22 · TELEX 52777 REIS CH · TELEGRAMM REISSBANK

Research Departement

Messrs. Kelly, Andrews & Bradley Inc.
111 John Street

N E W Y O R K - City

Zürich, February 27, 1970

COOPER:

The fundamental backdrop of the copper market has remained substantially intact since our last report and therefore, not unexpectedly, LME wireber prices show little nett change. Consumers have been more active with West Germany and China particulary represented perhaps symptomatic of the continuing tight supply position which is still evident on both sides of the Atlantic, even despite the recessive tendencies of the U.S. economy. Indeed singular emphasis may be extended to the U.S. scrap market which has been starved of subblies as a result of the General Electric strike that ended last month, and which normal working has not yet alleviated. The LME has been disconcerted by rumours that the Japanese may re-export some of her 40.000 tons stockpile or at least divert some of her supply from origin on to the world market as happened last year. Although the Japanese government have refused to issue export licences, the market has not dismissed the reality of copper from this source helping to iron out some of the kinks in the supply pipeline. The threat of a mayor strike crippling the Canadian Cooper Refiners plant has receded on the announcement of a tentative agreement which according to union sources should be satisfactorily ratified by their membership. In Chile, Anaconda 'S Chuquicamata facility is experiencing some technical problems in one of the furnaces but the management discount LME runours that they will be forced to to declare force majeure on 60% their March shipments, though they concede that some restrictions may be imposed if the LME copper prices still seems remote considered in the context of consecutive stock reductions and the prospects of further shipments out of warehouse whilst the market itself is under-pinned by the emergence of trade buying whenever prices appear vulnerable. We expect therefore values to hover nervously around current levels perhaps with an an inclination to drift lower pending fresh developments.

GOVT EXH 21bb-REISS & CO REPORTS

REISS & CO

N.V. PHILIPS' GLOEILAMPENFABRIEKEN

Founded 1891, Registered Office: Eindhoven, Netherlands

PRICE on 16.10.69	: Sfr. 79.50	LAST GROSS DIVIDEND:	Dfl. 1.80
HIGH/LOW 1969	: Sfr. 91.50 - 70.50	GROSS YIELD :	%
1970	: Sfr.	NET (less %) :	%

SUMMARY: Philips is the leading group in Europe in the electronic and electrical industry. The excellent results achieved in 1968 (net profit: +24%), and again expected in 1969, are due on the one hand to the efforts put into research (7.6% of turnover in 1968) and to the rationalization introduced by the company to bolster a profit margin which had been constantly shrinking between 1959 (8.4% of turnover) and 1967 (4.1%), and on the other hand to generally favourable economic trends in Europe, where Philips sold 72% of its products in 1968. The office computer and colour television sectors are two particularly promising areas of activity. Philips' shares and convertible bonds appear to be an interesting long-term investment vehicle, the price/earnings ratio being rather low in relation to the future earnings potential of the group.

PROSPECTS: In the first quarter of 1969 the turnover of Philips' increased by 8.7% and the net profit by 16.5%, compared with the corresponding period of 1968. For the whole year it is generally expected that there will be a rise of 9% in sales and an improvement of between 15% and 20% in net profit (pro forma data). In 1969 the group hopes to double its sales of colour television sets in Europe (from 460,000 to 900,000), whereas sales of black-and-white sets (8.4 million in 1968) should level out and then begin to fall off in the 1970's. Computers are not likely to have more than a modest effect on profits in 1969, seeing that the range of office computers was only launched on Western European markets in February, 1969, but they will become a source of increasing profit at long term. The outlook is also good in the office machine sector, Philips having taken stakes in a number of companies active in this field. Moreover, the distinct improvement in results achieved in 1968 by Pye, the British subsidiary, should continue. Lastly, the efforts made to rationalize and modernize the group will help to boost the profit margin, which the management hopes to put up to 6% in the next few years, in spite of very keen competition in the principal sectors of Philips.

STRUCTURE AND ACTIVITY: Philips N.V. holds the shares of N.V. Philips Gloeilampenfabrieken, which in turn controls the operations of the group (with the exception of the United States). The British subsidiary, Philips Electronic and Associated Industries Ltd. controls, among other companies, Ada (Halifax) Ltd. (holding of 68%) - consolidated in 1968 - and Pye Holdings.Ltd. US Philips Trust (managed independently) holds 66% of the capital of North American Philips Corp. (the result of the recent merger between Conelco and North American Philips Co. Inc.). The Product Divisions of Philips are as follows: Lighting (13% of turnover): lamps and lighting equipment - Domestic appliances: washing machines, refrigerators, vacuum cleaners, electric razors, etc. - Radio, television and record-playing equipment (23% of turnover) - Electronic components and materials (19% of turnover) - Electro-acoustics: tape recorders, dictaphones, etc. - Telecommunications and defence systems: public telephony, etc. - Data systems: computer systems, peripheral equipment, office machines, data centres - Industrial equipment: measuring, analyzing and control equipment - X-ray and medical equipment - Pharmaceutical-chemical products - Allied industries and glass. At the end of March, 1969, the number of employees was 287,100.

SHARE CAPITAL as at 12th May, 1969	Dfl. 1 265 578 560
divided into 10 4% pref. shares of Dfr. 5,000 per val.	Dfl. 50 000
14,370,300 6% cum. pref. shares of Dfl. 10 par val.	Dfl. 143 703 000
112,182,556 ordinary shares of Dfl. 10 par val.	Dfl. 1 121 825 560
DEBENTURE LOANS as at 31st December, 1968	Dfl. 795 960 000
of which 4 3/4% convertible loan of $ 100 million (= Dfl. 360 million) redeemable in 1983 and convertible as from 1.1.69)	

SUMMARY OF CONSOLIDATED BALANCE SHEETS as at 31st December in Dfl. millions

Assets	1964	1965	1966	1967	1968	1969
Net Fixed Assets	3 448	3 861	4 346	4 736	5 378	
Gross Current Assets	5 357	6 015	6 434	6 354	6 955	
Liabilities						
Share Capital	1 112	1 161	1 161	1 161	1 161	
Reserves	3 081	3 322	3 569	3 626	3 966	
Shareholders' Equity	(4 193)	(4 483)	(4 730)	(4 787)	(5 127)	
Long-term Liabilities	1 915	2 146	2 513	2 676	3 307	
Short-term Liabilities	2 697	3 247	3 537	3 627	3 899	
Total External Funds	(4 612)	(5 393)	(6 050)	(6 303)	(7 206)	
Balance-sheet Total	8 805	9 876	10 780	11 090	12 333	

INVESTMENTS AND FINANCE: During the last five years net acquisitions of physical fixed assets averaged Dfl. 518 million per annum (Dfl. 481 million in 1968), and were self-financed to the extent of 74% (96% in 1968) via depreciation. These investments have been mostly for the purpose of rationalizing production plant and for the introduction of new lines in the range of products. In 1968 the purchase of machines and equipment for the manufacture of integrated circuits and cathode ray tubes for colour television required a considerable outlay. Philips plans to invest Dfl. 580 - 600 million in 1969. In addition to these investments, new consolidations of subsidiaries increased fixed assets by Dfl.106 million in 1968. "Interests in non-consolidated subsidiaries and associated companies", which include, among others, Pye Holdings, Electronic Industries Ltd., Melbourne and the Chappell group (music publishers in New York and London), rose sharply from Dfl. 390 million in 1964 to Dfl. 1,250 million in 1968. In 1968 Philips floated a 4 3/4% convertible loan of $100 million and in June, 1969, another at 5 3/4% in £/Dfl. for £16 million to finance expansion in Britain. The financial position of Philips is strong in spite of a slight deterioration in the balance-sheet structure: liabilities to third parties represented 51% of total liabilities in 1964 and 57% in 1968.

GROUP DEVELOPMENT: in Dfl. millions

Year 31.12.	Sales	Rate of Increase	Depreciation	Net Prof.	Rate of Increase	Net Margin
1964	7 002	+ 12 %	305	405	+ 11 %	5.8 %
1965	7 545	+ 8 %	351	399	- 2 %	5.3 %
1966	8 069	+ 7 %	388	347	- 13 %	4.3 %
1967	8 695	+ 8 %	420	355	+ 2 %	4.1 %
1968	9 721	+ 12 %	461	439	+ 24 %	4.5 %
1969						

STATISTICS PER SHARE: in Dfl. 1)

Net Prof.	Dividend	Price High / Low
3.22	1.38	56 - 48
3.16	1.64	55 - 40
2.74	1.62	51 - 27
2.76	1.64	46 - 27
3.51	1.64	62 - 43

1) adjusted for free distribution of shares 1:10 in 1969 and share split 2 1/2:1 in 1969.

ANALYSIS OF RESULTS: The annual increase in turnover averaged 9.3% (11.8% in 1968) between 1964 and 1968. There was a big rise in the sales of colour television sets in 1968. After having dropped appreciably in 1966, net profit has been climbing again since the middle of 1967. The increase in sales and the efforts at rationalization (e.g. the reduction of the ratio of stocks to turnover from 38% to 30% between 1966 and 1968) have brought about an improvement in productivity and in consequence an increase in profit margins. The better results of Pye of Cambridge Ltd. (reorganized in 1966) have also contributed to the rise in profits. However, the fall in sales prices in 1967 and 1968 as a result of competition, together with increases in taxation (+ 31% in 1968) wages and the cost of research (this being written off direct) are having some retarding effect on the progress of results.

EXH 21cc-REISS & CO REPORTS

INCREASING SALES AT THE LONDON GOLD MARKET

Declining Fixing Prices

The London Fixing Price for gold having been exposed to a steady downward trend during the last weeks, has undercut for the first time since end of June the barrie. of $ 41.00 by a quotation of $ 40.95 per ounce on Monday afternoon. While the turnover increased, the diminution continued and the fixing quotation dropped to 40,87½ dollars.

Uncertainty with regard to the bidding sources

This price development is regarded in the City in a new light chiefly because it came about on the basis of a constellation created by numerous contraditory reports relating to the South African sales policy as well as the Zurich gold market. The Financial Times, for instance, is the only English Newspaer that refers the much felt sale's pressure to London's direct metal deliveries to South Africa, which, in the opinion of this paper, might construct a balance to the position of Zurich as an acknowledged place for prominent finance, a fact which is however not incontestable. On the other hand, there seems to be no evidence about the origin of the offers of gold, but South Africa as well as countries of the Near East and those of the East Block are suspected. In this connection the Russian and possibly the Hungarian Central Bank acting as intermediary for the Sowjet Union, are mentioned. In any case Zurich as the revolving point is not quite out of the question.

Reactions on the information stop by the Zurich gold pool

The information stop by the Zurich gold pool has scarcely contributed to the calming of the atmosphere. The members

of the London market who naturally keep a pronounced competitive position towards the Zurich financier's place, recognise in those steps a avowal of the big banks of Switzerland that the development of the market is no longer according to their wishes. Since London assumes that the Zurich banks have purchased a considerable amount of South African gold at a price likely to range above the present quotations on the free market, one believes there that the pretence of disretion made in Zurich - contrary to former practice - was intended as a defensive measure. At the same time, the City now maintains that it clearly holds the leadership in prices of London, at least as far as the present phase of the ma ket is concerned, despite the interests of Zurich.

Long term aspects

In non-professional circles, the present tugging on the gold market is being considered as a trial by all interested parties, to arrive at a clarification of the positions before the annual meeting of the International Monetary Fund (IMF), whereby the opinions regarding the lasting rôle of the gold within the monetary regulations, differ very much. The main point is the judging of the consequences of the Special Drawing Rights at the IMF and the possibilities for an arrangement in the question of gold between South Africa and the Central Banks of the West. The conception that the Special Drawing Rights may eventually lead to a complete demonetisation of the gold are equal to the reflections on modern chemistry in connection with the "papergold". Therefore, it is evident that the development of the gold price depends on the clarification of the these lasting and complex quieries.

GOVT. EXH. 21dd-REISS & CO. REPORTS

THE VEIL OVER THE GOLD MARKET OF ZURICH

Economy Research Department
REISS & CO BANKERS

1848

The veil over the gold market of Zurich

Opaque information's practice :

The three main banks of Zurich: Union-Bank of Switzerland. Swiss Bank Corporation, Swiss Credit Bank collaborating in Zurich's Goldpool proceeded to an information stop towards the press. Actual reasons for this were not given. Only one of the Pool Institutes gave to understand that this change in practice was meant to stop undesired publicity. The big banks are of the opinion that the parties interested will have to be content with a communiqué jointly issued by the Pool Banks. This first communication in this respect was a laconic talk which by its lack of real information might just as well have been left off, they were devoid of any indications as to turnover or determinative facts for the market.

The three leading institutes in gold trading were not too informative about their connections with South Africa, in fact they even denied the truth of reports about consignments of gold into Switzerland, the correctness of such reports having to be acknowledged later on. Nevertheless, they were willing to give information about the daily and weekly turnover and to give an interpretation forthe market development. Indeed, not very long ago, the big banks would not tire in referring to their leading position in the world's gold trade. Only a month ago a representive spokesman figured Zurich's share on the world's trading in gold to two third of the total transactions.

Stimulating influence on offers for sale :

Now why this sudden reverse in the information practice ? For the present, one is dependent on presumptions. It is however rather strange that the refusal of informations coincides with the time when facts of the downward trend of the gold price became known. After the Club of the Ten had made its dispositions for special drawing rights the news leaked out that ~~that~~ one of the big banks was judging the prospects on the gold market rather skeptically and had made

arrangements accordingly. Furthermore, a pressure in the offers can be observed while sometimes Southafrica, another time the Eastblock appears as seller.

Another mone ary crises has gone over the stage on the occasion of the devaluation of the French Franc without the gold price on the free market having been affected. Besides, the high rates of interest on the Eurodollar market having lately been such an attraction, many of the possessors of gold are inclined to sell their gold and invest on the Euro-Market. Finally, the interested public does not go far wrong in assuming that some of the big banks dispose of unusual big stock of gold after those massive gold deliveries from South Afirca. If the goldpool banks believe that they can neutralize the weight of such facts by an information stop they will soon find this to be an illusion, and if they feel, their reports about the development on the gold market will no longer do justice to the actual situation, nobody but they would be more able to meet this bad situation by as much information as possible. It is therefore not recommendable for the pool banks to turn on and off the information tap at their discretion, otherwise, the interested public will search for other sources of information, sources which might sometimes be doubtful and even harmful to the Zurich gold market. However, some people are of the opinion that the hidden thoughts on the gold market were but the banks' business.

Solid gold and gold standard :

Zurich has always played a big rôle on the gold market, but the big up-rade has taken place in March 1968 after deviding the gold market in two parts. Under the pressure of speculation the issuing banks had to give up the gold pool which they had used in order to cover the private demand since end of 1960, in order to avoid a rise of the gold price above the offcial mark of 35 dollars per ounce.

By dividing the gold market into transactions of the issuing banks and the free market, South Africa was suddenly derived of the possibility to sell gold to the Central Banks any longer. Thanks to the good position in monetary reserves due to a considerable purchase of gold mine shares, South Africa could afford to abstain from gold deliveries for some time. The Zurich gold market which in March 1968 was able in one night to dethrone the traditional leading gold trading place of London, depended for a long time on the gold sold out of hoardings. In order to conduct an orderly trade the three big banks joined in a small gold pool by which it was possible, in the interest of an international monetary stability, to keep the fluctuations of the gold price within a reasonable limit.

On the basis of a normal industrial and traditional demand of hoarding (Middle East and India) the price rose above 40 Dollars per ounce, though it practically remained unaffected by the various monetary unrests of the last 1½ years. It seems that the rôle of the barometer of the monetary stability generally alotted to the free market is almost esclusively confined to a dollar crisis. Despite the sharp and satisfactory dividing between the monetary gold and the solid gold it is not out of the question that the free gold market might sooner or later into the current of demand created by monetary politics. It is also for this reason that the knowledge of the market development is not a mere private matter.

The engagement of the Swiss Banks :

It is difficult to determine to what extent the Swiss banks are engaged by their own account. One may however assume that the enormous imports of gold during the last months were not only made to cover clients' orders. It is also known that the interests of the three institutes are placed quite differently. It is however not known what arrangements the SWiss banks have made with South Africa and at what prices

they have bought gold for their own account. A direct engagement could however get the banks into a dilemma. On the one hand they should, for the sake of a sound currency situation, be interested in a low gold price - one of the reasons to create the gold pool - on the other hand they want, for commercial reasons, to make the gold transactions as profitable as possible.

GOVT. EXHIBITS 22-a through j - Cables

A 336-475
D. 4-23-71)

GOVERNMENT

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
22(A) jd

6 ZHS0144 P05427702

1969 SEP 1 PM 2 27

T626

S AND BRADLEY INC 111

JOHN STREET

NEWYORK

ALL INDICATIONS IN SWISS FRANCS:

GOLD 5650'5670 PER KG

SILVER 229/234 PER KG

SHARES

BANKGESELLSCHAFT 4770.-

CIBA BEARER 11725.-

CIBA REG 9900.-

GEIGY BEARER 10800.-

GEIGY REG 6800.-

SANDOZ 8975.□

NESTLE BEARER 3330.-

LONZA 2425.-

REISS AND CO BANKIERS

COL 111 5650/5670 229/234

4770.- 11725.- 9900.- 10800.- 6800.- 8975.- 3330.- 2425.-

RCA Global Telegram
Telegram
Reply via RCA: call 363-4141

USA 33s - 475
(ED. 4-23-71)

GOVERNMENT

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
22(b) #d

1853

04 ZHS0143 P05427702

2 8 1456

WS AND BRADLEY INC

NEWYORK/CITY

GOOD MORNING GENTLEMEN

GOLD ZUERICH 5650/5670.-

SILVER ZUERICH 235/240.-

SWISSAIR BEARER 828.--

BROWN BOVERI 2060.--

BANKGESELLSCHAFT 4590.--

CIBA BEARER 11750.--

REGISTERED 9750.--

GEIGY BEARER 9900.--

REGISTERED 6400.--

NESTLE BEARER 3170.--

SANDOZ 8510.--

TENDENCY GENRALLY WEAKNESS

REISS AND CO BANIERS TELEX NR 54277

COL 111 5650/5670.- 235/240.- 828.-- 2060.-- 4590.-- 11750.--

9750.-- 9900.-- 6400.-- 3170.-- 3170.-- 8510.-- 54277

Reply via RCA: call 363-4141
Reply via RCA: call 363-4141
Reply via RCA: call 363-4141
Reply via RCA: call 363-4141

1854

URLP

SEP 16 11 AM '69

NNNN

BZCZC OBB8470 RMZ5898 ZHS0328 P05427714

URLP CO CGZH 062

ZUERICH TELEX 62/50 16 1445

MESSRS KELLY ANDREWS AND BRADLEY INC 111 JOHN STREET

NEWYORK10038

GOOD MORNING GENTLEMEN :

GOLD ZURICH 5650/5670.--

SOLVER ZURICH 243/247.--

SWISSAIR BEARER 840.--

BANKGESELLSCHAFT 4480.--

BROWN BOVERI 2025.--

CIBA BEARER 11950.--

REG 9775.--

GEIGY BEARER 9150.--

REG 6300.--

NESTLE BEARER 3210.--

SANDOZ 8510.--

REISS AND CO BANKIERS TELEX NR 54277

COL 111 10038 : 5650/5670.-- 243/247.-- 840.-- 4480.-- 2025.--

11950.-- 9775.-- 9150.-- 6300.-- 3210.-- 8510.-- 54277

Reply via RCA:call 363-4141

Reply via RCA:call 363-4141

Reply via RCA:call 363-4141

ZCZC LPB 0103 GCB9999 ZHS 0393

URLP CO URGC 000

ZHS 0393/RMZ9734/GCB 0107

ZUERICH TELEX 62/50 23 1503

MESSRS KELLY ANDREWS AND BRADLEY INC 111 JOHN STREET

NEWYORK/10038

GOOD MORNING GENTLEMEN GOLD ZURICH 5635/55 SILVER ZURICH

255/260 SWISSAIR BEARER 835.-- BANKGESELLSCHAFT 4500.--

BROWN BOVERI 2045.-- CIBA BEARER 12050.-- REG 9675.-- GEIGY

BEARER 9400.-- ASK REG 6375.-- SANDOZ 8575.--

NESTLE BEARER 3180.--

REISS AND CO BANKIERS TELEX NR 54277

COLL 5635/55 255/260 835.-- 4500.-- 2045.-- 12050.--

9675.-- 9400.-- 6375.-- 8575.-- 3180.-- 54277 ALSO

111 10038

Reply via RCA:call 363-4141

Reply via RCA:call 363-4141

1856

ZCZC LPB 0200 LTB 0612 OFFICIAL ADVICE QA

URLP CO

NEWYORK I 1125

OFFICIAL ADVICE

LT

MESSRS KELLY ANDREWS AND BRADLEY

111 JOHN STREET NEWYORK/10038

REGARDING YOUR MESSAGE DAB 1398 ZHS 0383 P05427722/30TH

DATED 30TH READ IN TEXT 24TH WORD WORD AFTER BEARER: 9600

I REPEAT 9600

PLEASE ERASE ALL REMARKS SUBJECT TO CORRECTION ZUERICH PER

RCA Global Telegram

Reply via RCA: call 363-4141

1857

ZCZC LPB 0357 RMZ 6502 ZHS 1268 P0542773 OCT 4 1969

URLP HL CGZH 044

ZUERICH TELEX 44/42 3 1720

LT

MESSRS KELLY ANDREWS AND BRADLEY INC 111 JOHNSTREET

NEWYORK

GENTLEMEN

ACCORDING TO RUMOURS BY BANKING-EXPERTS IT IS POSSIBLE THAT THE SWISSFRANC TOO COULD BE REVALUED IF THE DEUTSCH MARK WILL RISE MORE THAN EIGHT PERCENT

INDICATION WITHOUT OUR GARANTEE

REISSBANK ZURICH

COL 111

RCA Global Telegram

ZURICH TELEX 54/43 15 1401 1858

MESSRS KELLY ANDREWS
AND BRADLEY INC
111 JOHN STREET
NEWYORK 10038

GOOD MORNING

GOLD ZURICH	5620/5655
SILVER ZURICH	251/256
SWISSAIR BEARER	855.--
BANKGESELLSCHAFT	4250.--
BROWN BOVERI	2150.--
CIBA BEARER	12550.--
REG.	10050.--
GEIGY BEARER	10400.--
REG.	6930.--
NESTLE BEARER	3395.--
SANDOZ	8825.--

REISSBANK ZURICH

COL 111 10038
5620/5655 251/256 855.--
4250.-- 2150.--
12550.-- 10050.-- 10400.--
6930.-- 3395.-- 8825.--

RCA Global Telegram
RCA Global Telegram
ram

1859 STANDARD TIME

NNNN

ZCZC DAB1398 RMM2258 ZHS0383 P05427722 | 7 0. 4H '69

URLP HL CGZH 053

ZUERICH TELEX 53/42 30 1430

24TH TEXT WORD SUBJECT TO CORRECTION

LT

MESSRS KELLY ANDREWS AND BRADLEY

111 JOHN STREET

NEWYORK/10038

GOOD MORNING

GOLD ZUERICH 5620/5640 SILVER ZURICH 258/63 SWISSAIR BEARER

835.-- BANKGESELLSCHAFT 4580.-- BROWN BOVERI 2005.-- CIBA BEARER

11750.-- REGISTERED 9700.-- GEIGY BEARER 9680.-- REG. 6425.--

NESTLE 3160.-- SANDOZ 8575.--

REISSBANK ZURICH

COL 111 /10038 5620/5640 258/63 835.-- 4580.-- 2005.--

11750.-- 9700.-- 9600.-- 6425.-- 3160.-- 8575.--

RCA Global Communications

NNNN

1869

ZCZC LPB 0030 RMZ 6757 ZHS 0151 P05427717

URLP BO CGZH 039

ZUERICH TELEX 39/36 20 1535

MESSRS KELLY ANDREWS AND BRADLEY 111 JOHNSTREET

NEWYORK/10038

GOLD 5590/5625.-- SILVER 255/265 SWISSAIR BEARER 870 BANK-
GESELLSCHAFT 4460 BROWNBOVERI 2145.- CIBA BEARER 12600 REG 10125
GEIGY BEARER 10700 REG 6950 NESTLE BEARER 3380 SANDOZ 9025

REISSBANK ZURICH

COL 111 10038 5590/5625.-- 255/265 870 4460 2145.- 12600
10125 10700 6950 3380 9025

RCA Global Telegram
Reply via RCA: call 363-4141

LPB0161 RMX6091 ZHS0579 P05327723

URLP CO CGZH 038

ZUERICH TELEX 38/37 29 1400

MESSRS KELLY ANDREWS AND BRADLEY

111 JOHNSTREET

NEWYORK/10038

GOLD 5555/5590

SILVER 260/265 SWISSAIR BEARER 885.-- BANKGESELLSCHAFT 4700.--

BROWN BOVERI 2240 CIBA BEARER 13050 REG 10325

GEIGY BEARER 12100 REG 7350 NESTLE BEARER 3550 SANDOZ 9325

REISSBANK ZUERICH

COL 111 10038 5555/5590 260/265 885.-- 4700.-- 2240 13050 10325

12100 7350 3550 9325

Telegram

...AFRICA: call 363-4141

GOVT. EXHS. 24A-E - CHECKS WITH ENDORSEMENTS ON BACK

USA 338-475
(ED. 4-23-71)

GOVERNMENT
EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
24@ id

BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT

DATE			AMOUNT	

KELLY, ANDREWS & BRADLEY, INC.
111 JOHN STREET
NEW YORK, N. Y. 10038

109

11/8 1968 1-784/260

PAY TO THE ORDER OF Rens & Co. Bankers $15,000.00

Fifteen Thousand 00 DOLLARS

UNDERWRITERS TRUST COMPANY
1340 SIXTH AVENUE AT 54TH ST.
NEW YORK

NOV 12 1968

Leonard Schwartz

⑆0260⑆0784⑆ 3 3 0453 6⑈ 54 15000.00

Walston & Co. Inc
Re: Eliza Bayless
Dr Co.

54-92-054-1
EM

PAY ANY BANK
FIRST NATIONAL CITY BANK
FOR DEPOSIT ONLY
WALSTON & CO., INC.

CV-8 50 001 5361

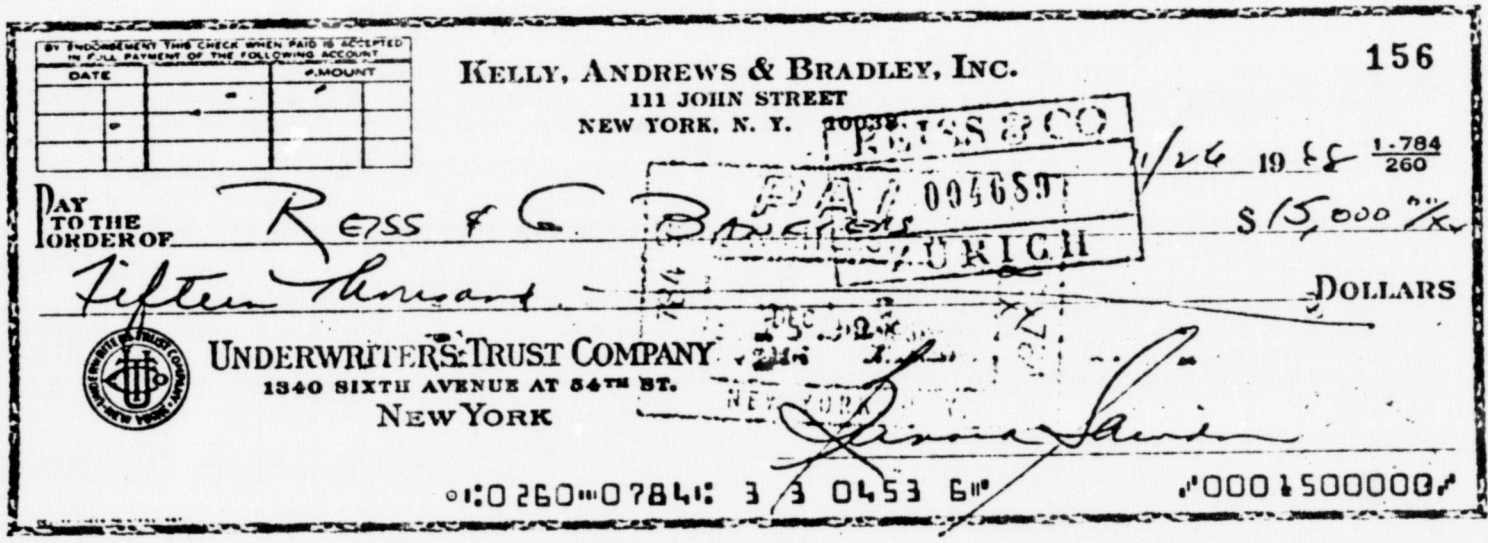
DEPOSIT TO THE CREDIT OF THE
WITHIN PAYEE WITH WALSTON & CO., INC.

PAY TO THE ORDER OF
FIRST NATIONAL CITY BANK
WALSTON & CO., INC.

USA 33s - 475
(ED. 4-23-71)

GOVERNMENT

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
24(b).id



BY INDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT

DATE			AMOUNT	

KELLY, ANDREWS & BRADLEY, INC.
111 JOHN STREET
NEW YORK, N. Y. 10038

156

REISS & CO
PAY 094657
ZURICH

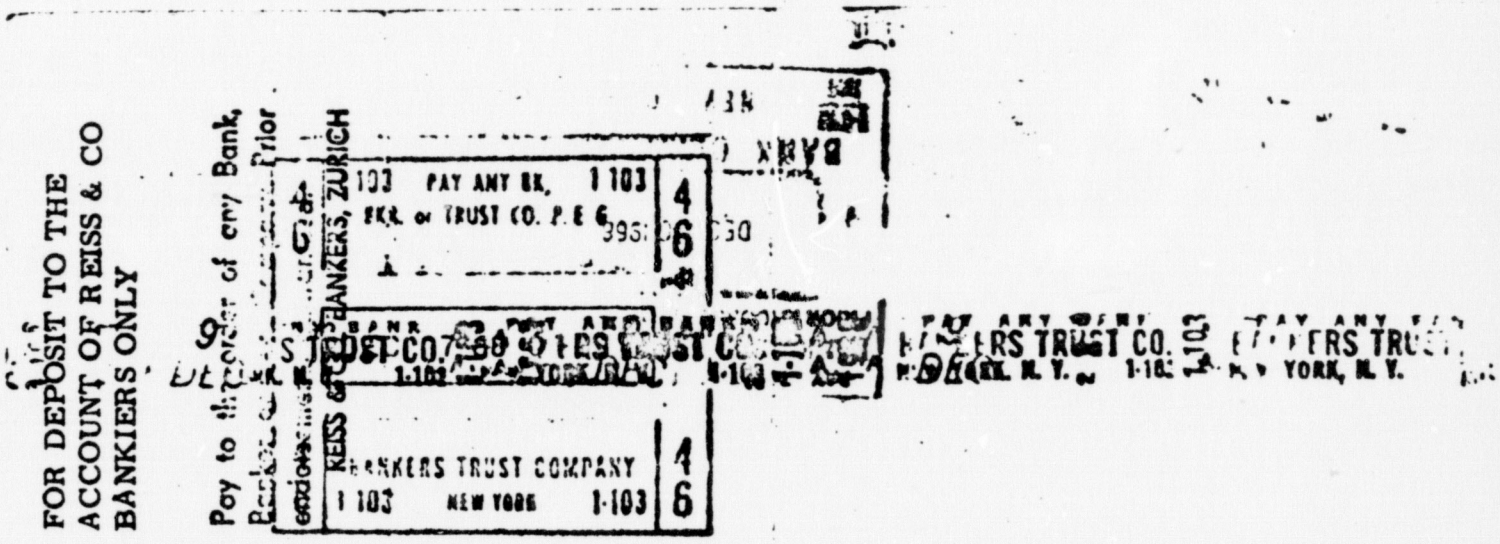
11/24 19 68 1-784/260

PAY TO THE ORDER OF Reiss & Co. Bankers $15,000 00/xx

Fifteen Thousand ---- DOLLARS

UNDERWRITERS TRUST COMPANY
1340 SIXTH AVENUE AT 54TH ST.
NEW YORK

⑆0260⑆0784⑆ 3 3 0453 6⑈ ⑈0001500000⑈



ONLY COPY AVAILABLE

USA 33s - 475
(ED. 4-23 71)

GOVERNMENT
EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
24(c) id

KELLY, ANDREWS & BRADLEY, INC.

JAN 29 1969

No. 1139 66

JANUARY 7th 19 69 1-12 / 210

PAY TO THE ORDER OF Rose - Ann Lankin

$15,000 ⁷⁄₁₀₀

Fifteen Thousand and ⁷⁄₁₀₀ DOLLARS

CHEMICAL BANK NEW YORK TRUST COMPANY
20 PINE STREET
NEW YORK, N. Y.

[illegible] & CO

004762

ZURICH

Leonard Andrews

⑆0210⑈0012⑆ 066⑈0014558⑈ ⑈0001500000⑈

Pay to the order of any Bank,
Banker or Trust Company. Prior
endorsements guaranteed.
REISS & CO. BANKERS, ZURICH

USA 33s - 475
(ED. 4-23-71)

GOVERNMENT

EXHIBIT

U. S. DIST. COURT

S. D. OF N. Y.

24(d) id

KELLY, ANDREWS & BRADLEY, INC.

PEIS & CO

No. 5201

0054331 Feb 6 1970

1-12
210

PAY TO THE ORDER OF Peiss & Makins

$ 15,000.00

15000 DOLS 00 CTS DOLLARS

CHEMICAL BANK
20 PINE STREET
NEW YORK, N. Y.

FEB 11 1970

Richard Alexander

:0210:00121: 066:00 1455: "0001500000"

1869

Pay to the order of any Bank
Banker or Trust Company Prior

10

10

FEB

FEB

1870

USA 33s - 475
(ED. 4-23-71)

GOVERNMENT

EXHIBIT

U. S. DIST. COURT

S. D. OF N. Y.

24(e) id

KELLY, ANDREWS & BRADLEY, INC.

No. 3201 66

Aug 7 1969 1-12/210

PAY TO THE ORDER OF Reiss & Co Bankers $30,000 00/xx

Thirty Thousand xx DOLLARS

CHEMICAL BANK NEW YORK TRUST COMPANY
20 PINE STREET
NEW YORK, N. Y.

Edward Andrews

⑆0210⑆0012⑆ 066⑆0045⑆ ⑈0003000000⑈

1871

Pay to the order of any Bank, Banker or Trust Company. Prior endorsements guaranteed.
REISS & CO. BANKERS, ZURICH

GOVT. EXHIBITS 25a and b - CHECKS WITH ENDORSEMENTS

USA 33s - 475
(ED. 4-23-71)

GOVERNMENT
EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
25(a) id

BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT

DATE			AMOUNT	

KELLY, ANDREWS & BRADLEY, INC.
111 JOHN STREET
NEW YORK, N. Y. 10038

106

11/7 19 68 1-784/260

PAY TO THE ORDER OF Guys with Buys $ 2450 00/100

Two Thousand four hundred + fifty ~~~~~ DOLLARS

UNDERWRITERS TRUST COMPANY
1340 SIXTH AVENUE AT 54TH ST.
NEW YORK

Leonard Landau

⑆0260⑆0784⑆ 3 3 0453 6⑈ ⑈0000245000⑈

51 4084

PAY ANY BANK, P.F.O. Manufacturers Hanover Tr. Co. NEW YORK 1-30 NEW YORK

12

PAY ANY BANK, P.F.O. Manufacturers Hanover Tr. Co. NEW YORK 1-30 NEW YORK

Cops mailed 12/1 Byc

USA 338 - 475
(ED. 4-23-71)

GOVERNMENT

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
25 (b) id

BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT

DATE			AMOUNT	

KELLY, ANDREWS & BRADLEY, INC.
111 JOHN STREET
NEW YORK, N. Y. 10038

107

11/7 19 68 1-784/260

PAY TO THE ORDER OF Guys with Buys $1525-00/xx

One Thousand five hundred & twenty-five 00/xx DOLLARS

UNDERWRITERS TRUST COMPANY
1340 SIXTH AVENUE AT 54TH ST.
NEW YORK

Bernard Kreindel

⑆0260⑆0784⑆ 3 3 0453 6⑈ ⑈0000152500⑈

51 4084 1868 12 NOV

PAY ANY BANK
Hamilton
NEW YORK

1851 12

ONLY COPY AVAILABLE

NEWS . . .

Richard Packing Co.
1523 North Concord
So. St. Paul, Minnesota

F O R I M M E D I A T E R E L E A S E

CONTACT: Ronald A. Frankel
Bass and Company, Inc.
(212) 732-9150

DIRECTORS OF RICHARD PACKING CO.
DECLARE TWO 25 PER CENT STOCK DIVIDENDS
ON COMPANY'S OUTSTANDING COMMON SHARES

So. St. Paul, Minn., May 7th -- Directors of Richard Packing Co. (OTC), a diversified meat packer and processor and restaurant franchisor, have declared two 25 per cent stock dividends on the company's outstanding common shares.

The dividends, announced by Richard Packing Co. President Milton J. Cohen, have been declared simultaneously and will be made in two separate payments of 25 per cent each on the company's outstanding common shares on each record date.

The first 25 per cent stock dividend is payable July 2, 1969 to Richard Packing Co. stockholders of record May 29, 1969. The second 25 per cent stock dividend is payable September 2, 1969 to stockholders of record August 2, 1969.

Both stock dividends, when paid, will increase the company's outstanding common stock to approximately 825,000 common shares.

# # #

3789
1969

[Letterhead of Bass and Company]

ONLY COPY AVAILABLE

1877

Richard Packing Co.
1923 No. Concord, So. St. Paul, Minn.

FOR IMMEDIATE RELEASE

CONTACT: Barton McLendon
Bass and Company, Inc.
(212) 732-9150

RICHARD PACKING CO. ANNOUNCES
$1.4 MILLION PRIVATE PLACEMENT

South St. Paul, Minn., May 15 -- Richard Packing Co. (OTC), a diversified meat packer and processor and restaurant franchisor, announced today the private placement of the company's stock for investment purposes for a consideration of $1.4 million. Making the announcement was Milton J. Cohen, president of Richard Packing.

Describing the agreement, Mr. Cohen said his company had sold 50,000 shares of Richard Packing Co. common stock for investment purposes "to a prominent institution" at $28 per share. He noted that there were no warrants involved in the private placement.

According to Mr. Cohen, the proceeds of the placement will be used for acquisition purposes and to expand Richard Packing's franchise operations, an area which the company is actively pursuing. He said the company's first "Circus Wagon" fast food drive-in restaurant will open in Anaheim, California, near Disneyland early in July of this year. "Commitments for the establishment of 19 Circus Wagon units have already been received from prospective franchisees," said Mr. Cohen.

Richard Packing Co. processes and sells meat and meat products at wholesale to supermarket chains, grocery store distributors and companies which distribute to drive-in restaurants.

Through its wholly-owned subsidiary, Richard Franchise Investment, Inc., the company is actively engaged in the construction and franchising of fast food drive-in and walk-in restaurants to qualified people throughout the United States who want to enter this field in their own communities.

# # #
3800
1969

ONLY COPY AVAILABLE

9x 31C

FOR IMMEDIATE RELEASE

RICHARD PACKING CO., MINNEAPOLIS-BASED RESTAURANT FRANCHISOR, ACQUIRES LOS ANGELES DUNE BUGGY FIRM

Richard Packing Co.
790 Cleveland Ave., So. St. Paul, Minn.

CONTACT: Barton McLendon
Bass and Company, Inc.
(212) 752-9150

South St. Paul, Minn., July [illegible] -- Richard Packing Co. (ASE), a diversified meat packer and processor [illegible] Packing Co. [illegible] has entered into a definitive agreement to acquire KDM Enterprises, Inc., North Hollywood, California, for an undisclosed amount of Richard Packing stock.

Today's announcement was made by Milton J. Cohen, president of Richard Packing Co., who described his company's newest subsidiary as "a designer and builder of commercial dune buggies. A dune buggy," he said, "is a small, wide tracked, peculiar looking automobile especially adept at whizzing through sand and down beaches. These buggies can go anywhere, even if there is no road. And they are one of the few models in the world licensed to travel as a regular road vehicle. They meet all safety standards," he added. Richard Packing currently plans to franchise its dune buggy operation throughout the United States and the world.

Commenting further, Mr. Cohen said, "KDM is a company which sells mainly to large resort institutions, such as major hotel and motel chains and car rental services." He added that KDM currently has a "substantial" backlog of orders.

Richard Packing recently announced that it had begun franchising its "Circus Wagon" fast-food drive-in restaurants. The first franchise, located in Anaheim, California opposite Disneyland, begins operations this month. In that announcement, Mr. Cohen disclosed that commitments for [illegible] Circus Wagon restaurants have been received.

# #

7/16/69. Rule 19

ONLY COPY AVAILABLE

1879

Richard Packing Co.
1523 No. Concord, So. St. Paul, Minn.

FOR IMMEDIATE RELEASE

CONTACT: Ronald A. Frankel
Bass and Company, Inc.
(212) 732-9150

RICHARD PACKING COMPANY PURCHASES
INTEREST IN BILL COSBY FOODS, INC.

St. Paul, Minn., August 18th — Richard Packing Co. (OTC), meat packer and processor and drive-in restaurant franchisor, today announced that it has purchased a percentage of common stock of Bill Cosby Foods, Inc., New York City, for an undisclosed amount of cash.

Richard Packing Co. President Milton Cohen described Bill Cosby Foods, Inc. as a "new corporation which plans to distribute food products to supermarkets and grocery stores throughout the nation under the 'Bill Cosby Foods' label. Current plans also call for the franchise of soul-food, sit-down restaurants," he noted. The company gets its name from its founder, Bill Cosby, popular television actor, comedian and entertainer.

Richard Packing's first 'Circus Wagon" fast-food restaurant was recently opened in Anaheim, California opposite Disneyland. Mr. Cohen reports that the company has received commitments to open 23 other Circus Wagon franchises throughout the country.

###
3774
1969

ONLY COPY AVAILABL

NEWS 1380

Richard Packing Company
790 So. Cleveland Ave., St. Paul, Minn.
(612) 699-1376

CONTACT: John A. Ogilvie
Bass and Company, Inc.
(212) 732-9150

FOR IMMEDIATE RELEASE

RICHARD PACKING COMPANY
APPOINTS TWO FORMER MCDONALD'S
CORP. EXECUTIVES TO COMPANY'S
CIRCUS WAGON FRANCHISE OPERATIONS

St. Paul, Minn., October 14th -- Richard Packing Co. (OTC), meat packer and processor and drive-in restaurant franchisor, today announced the appointment of Joseph J. Kally as executive vice president of Richard Packing. Mr. Kally, former vice president and regional manager of McDonald's Corp., Chicago, will be in charge of operations for the company's Circus Wagon chain of franchised fast-food, drive-in restaurants.

Making today's announcement, Milton Cohen, president of Richard Packing, said that Mr. Kally's appointment comes at a time of rapid expansion at Richard Packing, adding that he is confident the company will benefit extensively from Mr. Kally's experience in the food service and franchising fields. Mr. Kally was with McDonald's Corp., Chicago, and was responsible for the management and operation of 200 franchised outlets.

Mr. Kally is accompanied in his move to Richard Packing by William Hoppenrath who will be in charge of the building program for all Circus Wagon facilities. Mr. Hoppenrath was formerly in the construction department of McDonald's Corp.

Richard Packing's first Circus Wagon fast-food restaurant was opened recently in Anaheim, California, opposite Disneyland. The company has signed agreements to establish 49 additonal Circus Wagon franchises throughout the country.

###

4083
1969

10/14 - 11:44:26

GOVT EXH 25g-NEWS RELEASE

Richard Packing Co.
790 So. Cleveland Ave., St. Paul, Minn.
(612) 699-1376

FOR IMMEDIATE RELEASE

CONTACT: Gilbert R. Lahn
Bass and Company, Inc.
(212) 732-9150

RICHARD PACKING CO. ANNOUNCES TERMS OF TENDER OFFER FOR RICHARD FRANCHISE INVESTMENT STOCK

St. Paul, Minnesota, April 6th -- Richard Packing Co. (OTC) today announced that the board of directors at its last meeting had agreed on the terms of a tender offer relating to the shares of Richard Franchise Investment, Inc., a company subsidiary. Richard Packing had announced on January 22nd that it planned to increase its ownership in Richard Franchise by means of a tender offer to stockholders.

Richard Packing President Milton Cohen, who made today's announcement, said that "the offer calls for an exchange of approximately .53 shares of Richard Packing for each Richard Franchise share."

Richard Packing is not obligated to receive any shares if the company cannot assume an 82 per cent interest in Richard Franchise. In addition, the offering will be made by a prospectus containing Richard Packing Co.'s financial statements for the fiscal year ended June 30, 1970 and according to the Security and Exchange Commission's requirements for such offerings.

Richard Packing is a leisure time company and through Richard Franchise is a franchisor of the nation-wide chain of Circus Wagon fast food restaurants. Richard Packing has to date sold 210 franchises and is currently constructing seven new Circus Wagon restaurants. Through its KDM Enterprises subsidiary, the company manufactures dune buggys.

Richard Packing owns 400,000 shares or 72 per cent of the presently outstanding shares of RFI. Future dilution through exercise of warrants would bring Richard Packing's ownership down to 59 per cent. Full conversion would reduce it to 46 per cent.

# # #

4873
1970

BASS and COMPANY, INC. financial public relations
111 BROADWAY · NEW YORK, N.Y. 10006 · (212) 732-9150

1882

GOVT. EXH. 33 - Security Recommendation

Security Recommendation

To FVF-A From JH Date 2-1-69

Orig DEUTSCH, JANET

Security RICHARD PACKING Symbol

Industry Group Listed: OTC

Basic Data Fiscal Yr:

Current Price $ 33-34 12 Mos. Range $ to $

June Dec 19 61 ~~ACT~~ EPS $ 4.04 cent

19 69 EST EPS $ 2.00 rate P/E ACT

19 70 EST EPS $ 2.20 rate P/E EST

P/E EST

Div. Rate $ Cur. Yield %

Shares O/S 500,000 Shs Est. Float Shs

Inst. Hold Shs Est. Daily Vol Shs

NYSE Index Today SP 425 Today

Recommendation

☐ Buy
☐ Sell
☐ Hold

Because Price is expected to be $ in months, A % Move.

Expected P/E Range, 19: High P/E Prob P/E Low P/E

Transaction Business Should Be Given to (Firm)

Basis of Pricing: Earnings ☐ Deal ☐ Specify

Prime Info Sources

Company Contact (s): [redacted] STATES WEST INC., 512-888-3400 Sponsor

Brokers & Others: 1. [redacted]

{Give Individual and Firm Name} 2. [redacted] Trans Western

3.

4.

5.

Notes & Summary of Story

3-1 split in July 69

No debt.
Buy stock - or get $ 3-5 nm conv. issue at $30) privately.
Franchises CIRCUS WAGONS. Big built by Dillon and
Bill Ward (Divers Franch. Pres). 8 people from Mr. Donald's
ready to join R. Parking. Sell franchise for $20,000 -
ward gets $6K, RP gets $14K
60 circus wagons will be sold & built by 1970.
Owns 55% of Richards Treehouse which owns franchises, issues etc. Also owns KDM Sales
Sales brochures

(Please attach copy of S & P Sheet and any other descriptive material, if available)

GOV'T. EXH. 37-MEMO

USA 33s - 475
(ED. 4-25-71)

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

37-A W

REET, NEW YORK CITY

The Regency Hotel
NEW YORK

ONLY COPY AVAILABLE

1884

[illegible]	26
[illegible]	
[illegible]	
[illegible]	26
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	1
[illegible]	[illegible]

ONLY COPY AVAILABLE

1885

GOVT. EXH. 42 -- Bills

ROBERT AARON YOUNG, INC.
244 EAST 58th STREET
NEW YORK 22, N.Y.
HA 1-2440

ORDER #	11483
DATE	Dec. 17, 1968
TERMS F.O.B. N.Y	Net:
SHIP VIA	

SOLD TO DEALER:

SHIP TO:

Kelly, Andrews & Bradley
111 John Street
New York, New York
Room 1504

PHONE

PHONE

QUAN.	NUMBER	ARTIST	SIZE	SUBJECT	FRAME #	UNIT COST				
1	PAY-AS	Warren Brandt		Oil Painting "Grace at Pink Beach"	Gold Swan				$ 1250	00

SPECIAL INSTRUCTIONS

TOTAL			$ 1250	00
LOCAL TAX OR CRATING	5% L Tax		62	50
DELIVERY				
GRAND TOTAL		✓	$ 1312	50
DEPOSIT				
BALANCE DUE BEFORE DELIVERY				

1/10/69

1886

BERT AARON YOUNG, INC.

244 EAST 58th STREET
NEW YORK 22, N.Y.
HA 1-2440

ORDER #	11481
DATE	Dec. 16, 1968
TERMS F.O.B. N.Y	Net:
SHIP VIA	

TO DEALER:

PHONE

SHIP TO:
Kelly, Andrews & Bradley
111 John Street
New York, New York
Room 1504

PHONE

QUAN.	NUMBER	ARTIST	SIZE	SUBJECT	FRAME #	UNIT COST			
1 ✓	F&H C2201	Hasenfluo		Floral Oil	Gold Strip				$ 1100 00
1		Moti		Lithograph	Owl				185 00
1		Moti		Lithograph	Horses	Cash?			185 00
1		Lebadang		Lithograph	Children				125 00

SPECIAL INSTRUCTIONS

TOTAL			$ 1595 00
LOCAL TAX OR CRATING	5% tax		79 75
DELIVERY			
GRAND TOTAL		✓	$ 1674 75
DEPOSIT			
BALANCE DUE BEFORE DELIVERY			

1/10/69

CONFIRMING SIGNATURE

ALL SALES FINAL F.O.B. SHIP

GOVT. EXHIBIT 47-CHART

1837

ALLOCATION OF RICHARD PACKING CO. NEW ISSUE THROUGH KELLY, ANDREWS & BRADLEY INC.

RICHARD PACKING CO.
NEW ISSUE 10,000 SHARES

- 3/14/69 1,000 SHARES AT 28
  3/18/69 500 SHARES AT 28
  TO
  KELLY, ANDREWS & BRADLEY
  FOR
  K. A.B. FIRM TRADING A/C
  - * 3/24/69 1,500 SHARES DELIVERED BY K. A.B. FIRM TRADING A/C AGAINST SALES PREVIOUSLY MADE, 900 AT 29½ & 600 AT 30 TO GEMMA SEC'S.
- 3/18/69 500 SHARES AT 28
  TO
  KELLY, ANDREWS & BRADLEY
  FOR
  K.A.B. FIRM TRADING A/C
  - 3/18/69 500 SHARES AT 31 SOLD BY K.A.B. FIRM TRADING A/C TO A. J. BUTLER & CO.
- 3/18/69 5,000 SHARES AT 28½
  TO
  LOEB RHOADES & CO.
  A/C JAFFEE
  FOR
  A/C FINANCIAL VENTURE FUND
- 4/3/69 1,500 SHARES AT 28¼
  TO
  KELLY, ANDREWS & BRADLEY
  FOR
  A/C HARRY MORGINSTIN
  - * 4/7/69 1,500 SHARES AT 32 7/8 SOLD BY HARRY MORGINSTIN TO V. F. NADDEO
- 4/3/69 1,500 SHARES AT 28¼
  TO
  KELLY, ANDREWS & BRADLEY
  FOR
  A/C WILLIAM HARRIS
  - * 4/7/69 1,500 SHARES AT 32 7/8 SOLD BY WILLIAM HARRIS TO V. F. NADDEO

SUMMARY OF COMMISSIONS RECEIVED AND PROFITS MADE ON ABOVE TRANSACTION:

KELLY, ANDREWS & BRADLEY	COMMISSION	$ 4,313.20
JAFFEE & CO.	COMMISSION	1,052.50
KELLY, ANDREWS & BRADLEY	PROFIT	1,050.00
HARRY MORGINSTIN	PROFIT	6,330.90
WILLIAM HARRIS	PROFIT	6,330.90

* NOTE:

HARRIS AND MORGINSTIN EACH PURCHASED 1,500 SHARES OF THE NEW ISSUE, K. A.B. USED 1,500 SHARES OF THE NEW ISSUE TO DELIVER TO GEMMA AGAINST PREVIOUS SALES. HOWEVER, DUE TO THE FUNGIBILITY OF STOCK K.A.B. DELIVERED TO GEMMA SECURITIES 1,700 SHARES OF THE NEW ISSUE CERTIFICATES. V. F. NADDEO ULTIMATELY RECEIVED FROM K.A.B. 2,800 SHARES OF THE NEW ISSUE CERTIFICATES AND 200 OTHER RICHARD PACKING CO. CERTIFICATES AGAINST THE SALES BY HARRIS AND MORGINSTIN.

GX 48

SCHEDULE OF PURCHASES AND SALES BY MILTON COHEN
IN RESPECT TO RICHMOND TACKING CO.
FROM OCTOBER 7, 1968 TO FEBRUARY 20, 1970.

BROKER	TRADE DATE	SHARES BOUGHT	SHARES SOLD	PRICE	AMOUNT DEBIT	AMOUNT CREDIT	BROKER ON OTHER SIDE OF TRANSACTION
Lobb Nichols & Jaffee	10/7/68		2500	28		$ 69050-	Kelly Andrews & Cromley
Loewi - Co	11/13/68		500	28		1383475	
" "	4/11/69		500	32		1582475	
" "	4/23/69		500	35		1731725	John Stephens & Co, Minneapolis
" "	4/29/69		700	36		2494075	John Stephens & Co, Minneapolis
" "	4/29/69		50	36		177075	John Stephens & Co, Minneapolis
" "	5/15/69		500	38½		1905850	
" "	5/14/69	500		44	$ 22205.25		
" "	12/24/69		1000	41		4060450	New Dimension Securities
" "	12/24/69		1000	41		4060450	New Dimension Securities
" "	12/24/69		1000	41		4060450	New Dimension Securities
" "	1/ 4/70		600	42		2495950	New Dimension Securities
Kelly Andrews & Cromley	2/6/70		1000	40		39720-	New Dimension Securities
" "	2/9/70		2000	40		79440-	New Dimension Securities
" "	2/11/70		1200	40		47472-	New Dimension Securities
" "	2/20/70		200	40		7912-	New Dimension Securities
TOTALS		500	13250		$ 22205.25	$ 43311975	
EXCESS OF CREDIT OVER DEBITS (NET PROCEEDS)						$ 4609145	

1888
GOVT. EXH. 48-Statement

PURCHASES OF RICHARD PACKING CO. COMMON STOCK BY DENVER MUTUAL FUNDS THROUGH JAFFEE & CO.

TRADE DATE 69	FUND ACCOUNT AT JAFFEE & CO	NO OF SHARES BOUGHT	PRICE	NET PURCHASE PRICE	COMMISSION	SOURCE OF STOCK
/18	F VF	5000	28-1/2	$143,552.50	$1,052.50	KELLY, ANDREWS & BRADLEY
/18	F VF	200	30	6,036.00	36.00	ENGLER, BUDD (MINN)
/18	F VF	100	30	3,018.00	18.00	R.W. PRESSPRICH
/18	F VF	100	30	3,018.00	18.00	JOHN STEPHENS (MINN)
/19	F VF	300	31	9,403.50	103.50	R.W. PRESSPRICH
/19	F VF	200	32	6,470.00	70.00	N.Y. HANSEATIC
/19	F VF	500	31	15,672.50	172.50	JOHN STEPHENS (MINN)
/20	F VF	7300	31-1/4	230,652.99	2,527.99	J.M. DRYFOOS & CO.
/21	F VF	500	34	17,180.00	180.00	V.F. NADDEO
/24	F VF	200	34	6,872.00	72.00	V.F. NADDEO
/25	F VF	500	33-1/2	16,928.75	178.75	R.W. PRESSPRICH
/25	F VF	1800	34	61,848.00	648.00	V.F. NADDEO
/28	F VF	100	33	3,335.50	35.50	CROSS - DR A. LIND
/1	F VF	300	33	10,006.50	106.50	CROSS - A/C 90300
/2	F VF	100	32	3,235.00	35.00	CROSS - A/C 01216
/3	F VF	500	33-1/4	16,803.15	178.15	V.F. NADDEO
/7	F VF	300	32	9,705.00	105.00	JOHN STEPHENS (MINN)
/7	F VF	500	33	16,677.50	177.50	N.Y. HANSEATIC
/7	F VF	500	33	16,597.50	97.50	MAYER AND SCHWEITZER
/7	F VF	200	31	6,269.00	69.00	CROSS - 061-61-74443
/9	F VF	300	33	10,006.50	106.50	MAYER AND SCHWEITZER
/9	F VF	500	33	16,677.50	177.50	JOHN STEPHENS (MINN)
/22	F VF	100	33	3,319.50	19.50	V.F. NADDEO
/22	F VF	1000	32	32,302.00	302.00	GEMMA SEC.
/22	F VF	300	33	10,006.50	106.50	V.F. NADDEO
/22	F VF	500	33	16,597.50	97.50	JOHN STEPHENS (MINN)
/28	F VF	1000	35 1/4	35,616.30	366.30	V.F. NADDEO
/29	F DF	800	36 1/2	29,498.00	298.00	V.F. NADDEO
/29	F VF	2100	36 1/2	77,256.25	606.25	V.F. NADDEO
/30	F DF	200	36	7,274.00	74.00	V.F. NADDEO
/30	F DF	400	36	14,548.00	148.00	V.F. NADDEO

TRADE DATE 69	FUND ACCOUNT AT JAFFEE & CO.	NO. OF SHARES BOUGHT	PRICE	NET PURCHASE PRICE	COMMISSION	SOURCE OF STOCK
5/1	FDF	200	37	$7,475.00	$75.00	MAYER AND SCHWEITZER
5/1	FDF	100	35	3,536.50	36.50	CROSS-A/C FORTUNE CLUB
5/2	FDF	100	38	3,838.00	38.00	N.Y. HANSEATIC
5/2	FDF	100	39	3,938.50	38.50	MAYER AND SCHWEITZER
5/2	FDF	100	39	3,938.50	38.50	GARDNER SECURITIES
5/5	FDF	1000	39	39,385.00	385.00	V.F. NADDEO
5/6	FDF	200	41-1/2	8,379.50	79.50	N.Y. HANSEATIC
5/6	FDF	400	42	16,960.00	160.00	N.Y. HANSEATIC
5/6	FDF	100	42	4,240.00	40.00	GARDNER SECURITIES
5/6	FDF	100	42	4,240.00	40.00	MAYER AND SCHWEITZER
5/7	FVF	1000	41-1/2	41,897.50	397.50	V.F. NADDEO
5/7	FDF	300	41-1/2	41,897.50	397.50	V.F. NADDEO
5/7	FDF	700	41-1/2			V.F. NADDEO
5/7	FDF	500	41-1/2	20,868.75	118.75	V.F. NADDEO
5/8	FVF	300	42	12,720.00	120.00	MAYER AND SCHWEITZER
5/8	FVF	300	41-1/2	12,569.25	119.25	V.F. NADDEO
5/9	FVF	100	41-1/2	25,138.50	238.50	V.F. NADDEO
5/9	FVF	500	41-1/2			V.F. NADDEO
5/12	FVF	200	42	8,480.00	80.00	MAYER AND SCHWEITZER
5/13	FDF	100	45	4,541.50	41.50	MAYER AND SCHWEITZER
5/13	FDF	100	42-1/2	4,290.25	40.25	N.Y. HANSEATIC
5/13	FDF	400	43	17,362.00	162.00	N.Y. HANSEATIC
5/13	FDF	300	43-1/2	13,172.25	122.25	MAYER AND SCHWEITZER
5/14	FDF	600	47	28,455.00	255.00	V.F. NADDEO
5/14	FVF	100	47	28,455.00	255.00	N.Y. HANSEATIC
5/14	FVF	500	47			N.Y. HANSEATIC
5/19	FVF	100	52-1/2	5,294.25	44.25	V.F. NADDEO
5/19	FDF	100	52-1/2	5,294.25	44.25	V.F. NADDEO
5/20	FDF	200	53-1/2	10,788.70	88.70	V.F. NADDEO
5/20	FVF	100	52-1/2	5,294.25	44.25	V.F. NADDEO
5/20	FVF	200	53-1/2	10,788.70	88.70	V.F. NADDEO

GOVT EXH 49-CHARTS

1339

PURCHASES OF RICHARD PACKING CO. COMMON STOCK BY DENVER MUTUAL FUNDS THROUGH JAFFEE & CO.

DE E	FUND ACCOUNT AT JAFFEE & CO.	NO. OF SHARES BOUGHT	PRICE	NET PURCHASE PRICE	COMMISSION	SOURCE OF STOCK
1	FVF	100	53	5,344.30	$ 44.30	V.F. NADDEO
2	FDF	100	52-1/2			V.F. NADDEO
2	FDF	100	52-1/2	26,471.25	221.25	V.F. NADDEO
2	FDF	100	52-1/2			V.F. NADDEO
2	FDF	200	52-1/2			V.F. NADDEO
2	FDF	500	52-1/2	26,471.25	221.25	N.Y. HANSEATIC
6	FDF	200	51	10,228.20	88.20	CROSS - A/C 47419
2	FDF	1600	42-1/2	89,919.25	669.25	V.F. NADDEO
2	FDF	500	42-1/2			V.F. NADDEO
2	FVF	1000	42-1/2	42,902.50	402.50	V.F. NADDEO
6	FDF	800	43-1/2	35,126.00	326.00	V.F. NADDEO
9	FVF	300	43-1/2	13,172.25	122.25	N.Y. HANSEATIC
10	FVF	300	43-1/2	13,172.25	122.25	V.F. NADDEO
10	FDF	200	43	8,681.00	81.00	N.Y. HANSEATIC
10	FDF	800	43-1/2	35,126.00	326.00	V.F. NADDEO
11	FDF	400	42-1/2	17,161.00	161.00	V.F. NADDEO
11	FVF	300	42-1/2	12,870.75	120.75	V.F. NADDEO
11	FVF	500	42	21,200.00	200.00	CROSS A/C 561-61-47419
11	FDF	1300	42-1/2	55,565.25	315.25	N.Y. HANSEATIC
11	FDF	600	42	25,440.00	240.00	V.F. NADDEO
12	FDF	1000	42	42,240.00	240.00	V.F. NADDEO
12	FVF	300	42-1/2	12,822.75	72.75	N.Y. HANSEATIC
12	FVF	200	42-1/2	8,580.50	80.50	N.Y. HANSEATIC
12	FVF	800	41-1/2	33,518.00	318.00	V.F. NADDEO
12	FDF	1000	41-1/2	41,897.50	397.50	V.F. NADDEO
12	FDF	1000	41-1/2	41,737.50	237.50	V.F. NADDEO
13	FDF	500	43	21,702.50	202.50	MAYER AND SCHWEITZER
16	FDF	100	42-1/2	4,290.25	40.25	V.F. NADDEO
17	FDF	100	42-1/2	4,290.25	40.25	V.F. NADDEO
17	FDF	500	42-1/2	21,451.25	201.25	N.Y. HANSEATIC

TRADE DATE 69	FUND ACCOUNT AT JAFFEE & CO.	NO. OF SHARES BOUGHT	PRICE	NET PURCHASE PRICE	COMMISSION	SOURCE OF STOCK
6/18	FDF	100	42-1/2			V.F. NADDEO
6/18	FDF	200	42-1/2	$25,741.50	$241.50	V.F. NADDEO
6/18	FDF	200	42-1/2			V.F. NADDEO
6/18	FDF	100	42-1/2			V.F. NADDEO
6/19	FDF	500	43	21,702.50	202.50	MAYER AND SCHWEITZER
6/20	FDF	200	42-1/2	8,580.50	80.50	V.F. NADDEO
6/23	FDF	400	42-1/2	17,161.00	161.00	V.F. NADDEO
6/24	FDF	300	42-1/2	12,870.75	120.75	V.F. NADDEO
6/24	FDF	100	42-1/2	4,290.25	40.25	V.F. NADDEO
6/25	FDF	200	42-1/2	8,580.50	80.50	V.F. NADDEO
6/25	FDF	100	42-1/2	4,290.25	40.25	V.F. NADDEO
6/26	FVF	1000	42-1/2	42,742.50	242.50	V.F. NADDEO
6/26	FVF	200	42-1/2	8,548.50	48.50	V.F. NADDEO
6/26	FDF	100	42-1/2	4,290.25	40.25	V.F. NADDEO
7/3	FVF	200	43	8,681.00	81.00	V.F. NADDEO
7/7	FVF	200	43	17,362.00	162.00	V.F. NADDEO
7/7	FVF	200	43			V.F. NADDEO
7/10	FVF	200	41-1/2	8,379.50	79.50	V.F. NADDEO
7/14	FVF	200	42-1/2	8,580.50	80.50	V.F. NADDEO
7/14	FVF	100	42	4,240.00	40.00	MAYER AND SCHWEITZER
7/14	FDF	100	42	33,541.13	316.13	N.Y. HANSEATIC
7/14	FDF	675	43			N.Y. HANSEATIC
7/15	FVF	500	42-1/2	21,451.25	201.25	N.Y. HANSEATIC
7/16	FVF	100	44	4,441.00	41.00	N.Y. HANSEATIC
7/16	FVF	100	42-1/2	4,290.25	40.25	V.F. NADDEO
7/16	FVF	100	44	4,441.00	41.00	MAYER AND SCHWEITZER
7/17	FVF	100	45	4,541.50	41.50	MAYER AND SCHWEITZER
7/17	FVF	300	46	13,926.00	126.00	MAYER AND SCHWEITZER
7/18	FDF	100	46	4,642.00	42.00	MAYER AND SCHWEITZER
7/23	FVF	300	46	13,926.00	126.00	V.F. NADDEO
7/24	FDF	700	45-1/2	32,142.25	292.25	MAYER AND SCHWEITZER

1800

PURCHASES OF RICHARD PACKING CO. COMMON STOCK BY DENVER MUTUAL FUNDS THROUGH JAFFEE & CO.

TRADE DATE 69	FUND ACCOUNT AT JAFFEE & CO.	NO OF SHARES BOUGHT	PRICE	NET PURCHASE PRICE	COMMISSION	SOURCE OF STOCK
7/25	F VF	100	46	$4,642.00	$42.00	V.F. NADDEO
7/29	F VF	100	37-1/2	3,787 75	37.75	V.F. NADDEO
7/29	F DF	200	37 1/2	15,151 00	151.00	V.F. NADDEO
7/29	F DF	200	37-1/2			V.F. NADDEO
7/29	F VF	700	36-1/2	25,810 75	260.75	N.Y. HANSEATIC
7/29	F VF	200	37	7,475.00	75.00	N.Y. HANSEATIC
7/30	F VF	300	36 1/2	11,061.75	111.75	V.F. NADDEO
7/30	F DF	500	36-1/2	36,872 50	372.50	V.F. NADDEO
7/30	F DF	500	36-1/2			V.F. NADDEO
8/11	F DF	100	40	4,039.00	39.00	V.F. NADDEO
8/12	F DF	100	39-1/2	3,988.75	38.75	V.F. NADDEO
8/14	F DF	200	39	7,877.00	77.00	LOEWI
8/21	F DF	800	40	32,312.00	312.00	V.F. NADDEO
8/21	F DF	300	39	11,799.50	99.50	V.F. NADDEO
8/21	F DF	500	39	19,612.50	112.50	N.Y. HANSEATIC
8/25	F DF	200	40	8,078.00	78.00	MAYER AND SCHWEITZER
8/25	F DF	100	40	4,039.00	39.00	N.Y. HANSEATIC
8/26	F DF	300	38-1/2	11,664.75	114.75	V.F. NADDEO
8/27	F DF	200	38-1/2	7,776.50	76.50	V.F. NADDEO
9/3	F DF	500	39	19,692.50	192.50	V.F. NADDEO
9/5	F DF	200	40	8,078.00	78.00	MAYER AND SCHWEITZER
9/5	F DF	100	40	4,039.00	39.00	N.Y. HANSEATIC
9/8	F DF	100	40	12,117.00	117.00	V.F. NADDEO
9/8	F DF	200	40			V.F. NADDEO
9/8	F VF	200	42	8,480.00	80.00	MAYER AND SCHWEITZER
9/8	F VF	69	42	2,929.49	31.49	MAYER AND SCHWEITZER
9/8	F VF	400	42	16,960.00	160.00	N.Y. HANSEATIC
9/9	F DF	100	40	4,039.00	39.00	V.F. NADDEO
9/10	F DF	300	40-1/4	12,192.39	117.39	V.F. NADDEO
9/12	F DF	300	40-1/2	12,267.75	117.75	V.F. NADDEO
9/12	F DF	700	40-3/4	28,800.66	275.66	V.F. NADDEO

TRADE DATE 69	FUND ACCOUNT AT JAFFEE & CO.	NO. OF SHARES BOUGHT	PRICE	NET PURCHASE PRICE	COMMISSION	SOURCE OF STOCK
9/26	F DF	300	44	$13,323.00	$123.00	V.F. NADDEO
9/26	F DF	500	44-1/2	22,456.25	206.25	N.Y. HANSEATIC
9/30	F DF	200	43-1/2	8,781.50	81.50	N.Y. HANSEATIC
10/1	F DF	300	43-1/2	13,124.25	74.25	V.F NADDEO
10/1	F DF	2400	43	103,948.00	748.00	CROSS
10/9	F DF	300	42-1/2	12,870.75	120.75	V.F. NADDEO
10/9	F DF	200	42-1/2	8,580.50	80.50	V.F. NADDEO
10/9	F DF	200	43-1/2	8,781.50	81.50	V.F. NADDEO
10/13	F DF	100	42-1/2	4,290.25	40.25	V.F. NADDEO
10/14	F DF	100	42-1/2	4,290.25	40.25	V.F. NADDEO
10/15	F DF	100	41-1/2	4,189.75	39.75	V.F. NADDEO
10/20	F DF	200	41-1/2	8,379.50	79.50	V.F. NADDEO
10/21	F DF	200	41-1/2	8,379.50	79.50	V.F. NADDEO
10/22	F DF	300	41-1/2	12,569.25	119.25	V.F. NADDEO
10/24	F DF	400	42	16,960.00	160.00	V.F. NADDEO
10/28	F DF	100	41-1/2	4,189.75	39.75	ALESSANDRINI
10/29	F DF	200	44-1/2	8,950.50	50.50	ALESSANDRINI
10/29	F DF	2200	42-1/2	94,193.50	693.50	N.Y. HANSEATIC
10/29	F DF	100	44	4,425.00	25.00	N.Y. HANSEATIC
10/29	F DF	100	43	4,324.50	24.50	N.Y HANSEATIC
10/29	F DF	300	43	12,973.50	73.50	MAYER AND SCHWEITZER
10/29	F DF	100	44-1/2	4,475.25	25.25	MAYER AND SCHWEITZER
10/30	F DF	500	44-1/2	22,456.25	206.50	ALESSANDRINI
11/3	F DF	100	44-1/2	4,491.25	41.25	N.Y. HANSEATIC
11/4	F DF	100	44-1/2	4,491.25	41.25	ALESSANDRINI
11/5	F DF	1600	44	70,960.00	560.00	CROSS-A/C 561-61-77601
11/6	F DF	100	43-1/2	4,390.75	40.75	ALESSANDRINI
11/7	F DF	100	43-1/2	4,390.75	40.75	SHERWOOD
11/7	F DF	300	43-1/4	13,096.89	121.89	SHERWOOD
11/7	F DF	300	43	13,021.50	121.50	JAFFEE-ON ORDER
11/11	F DF	500	43-1/2	21,953.75	203.75	ALESSANDRINI

1831

PURCHASES OF RICHARD PACKING CO. COMMON STOCK BY DENVER MUTUAL FUNDS THROUGH JAFFEE & CO.

TRADE DATE 69	FUND ACCOUNT AT JAFFEE & CO.	NO. OF SHARES BOUGHT	PRICE	NET PURCHASE PRICE	COMMISSION	SOURCE OF STOCK
11/11	FDF	100	43-1/2	$4,390.75	$40.75	SHERWOOD
11/13	FDF	500	42	21,200.00	200.00	LOEWI
11/13	FDF	400	42-1/2	17,161.00	161.00	ALESSANDRINI
11/14	FDF	100	42-1/2	4,290.25	40.25	SHERWOOD
11/17	FDF	400	41-1/2	16,759.00	159.00	ALESSANDRINI
11/19	FDF	500	40-1/2	20,446.25	196.25	ALESSANDRINI
11/19	FDF	100	41-1/2	4,189.75	39.75	SHERWOOD
11/20	FDF	400	39	15,756.00	156.00	SHERWOOD
11/20	FDF	200	38-1/4	7,726.26	76.26	ALESSANDRINI
11/20	FDF	200	37-1/2	7,575.50	75.50	SHERWOOD
11/25	FVF	500	39-1/2	19,943.75	193.75	SHERWOOD
11/25	FDF	100	40	4,039.00	39.00	ALESSANDRINI
11/25	FVF	100	42-1/2	4,290.25	40.25	ALESSANDRINI
11/25	FVF	100	42	4,240.00	40.00	MAYER AND SCHWEITZER
11/25	FVF	100	42-1/2	4,290.25	40.25	CROSS
12/2	FVF	200	41-1/2	8,379.50	79.50	ALESSANDRINI
12/2	FVF	100	41-1/2	4,189.75	39.75	ALESSANDRINI
12/11	FVF	500	40	20,195.00	195.00	NEW DIMENSION SEC
12/16	FIF	1000	43-1/2	43,907.50	407.50	NEW DIMENSION SEC
12/18	FIF	1200	44-1/2	53,863.00	463.00	NEW DIMENSION SEC
12/18	FIF	1000	44-1/2	44,752.50	252.50	NEW DIMENSION SEC
12/18	FIF	1000	44-1/2	44,752.50	252.50	NEW DIMENSION SEC
12/23	FIF	1000	44-1/2	44,752.50	252.50	NEW DIMENSION SEC
12/23	FIF	1000	44-1/2	44,912.50	412.50	NEW DIMENSION SEC
12/24	FIF	1000	45	45,415.00	415.00	NEW DIMENSION SEC
12/26	FIF	100	42-1/2	4,290.25	40.25	MAYER AND SCHWEITZER
12/29	FIF	3000	45	135,925.00	925.00	NEW DIMENSION SEC
12/30	FIF	500	41-1/2	20,948.75	198.75	ALESSANDRINI
12/30	FIF	500	41-1/2	20,948.75	198.75	ALESSANDRINI
12/30	FIF	500	41-1/2	20,868.75	118.75	MAYER AND SCHWEITZER
12/30	FIF	500	41-1/2	20,868.75	118.75	MAYER AND SCHWEITZER
12/31	FIF	1000	44	$44,410.00	$410.00	NEW DIMENSION SEC
12/31	FIF	800	44	35,400.00	200.00	NEW DIMENSION SEC
12/31	FIF	200	41-1/2	8,347.50	47.50	SHERWOOD
1970						
1/5	FIF	1000	45	45,415.00	415.00	NEW DIMENSION SEC
1/5	FIF	1000	45	45,255.00	255.00	NEW DIMENSION SEC
1/5	FIF	1000	45	45,255.00	255.00	NEW DIMENSION SEC
1/6	FIF	200	41-1/2	8,379.50	79.50	SHERWOOD
1/6	FIF	300	42-1/2	12,870.75	120.75	SHERWOOD
1/7	FIF	1000	45	45,415.00	415.00	NEW DIMENSION SEC
1/7	FIF	1200	45	54,306.00	306.00	NEW DIMENSION SEC
1/19	FDF	1000	44-1/2	44,752.50	252.50	NEW DIMENSION SEC
1/19	FDF	1000	44-1/2	44,912.50	412.50	NEW DIMENSION SEC
1/26	FDF	1300	44	123,900.00	700.00	NEW DIMENSION SEC
1/26	FDF	1500	44			NEW DIMENSION SEC
1/26	FDF	2000	44	88,660.00	660.00	NEW DIMENSION SEC
2/6	FIF	3000	42			NEW DIMENSION SEC
2/6	FIF	3000	42	464,800.00	2,800.00	NEW DIMENSION SEC
2/6	FIF	3000	42			NEW DIMENSION SEC
2/6	FIF	2000	42			NEW DIMENSION SEC
2/9	FVF	400	43	17,362.00	162.00	NEW DIMENSION SEC
2/13	FIF	1000	45	45,255.00	255.00	NEW DIMENSION SEC
2/13	FIF	1000	45	45,415.00	415.00	NEW DIMENSION SEC
2/24	FIF	1000	46	46,420.00	420.00	NEW DIMENSION SEC
2/24	FIF	1000	46	46,260.00	260.00	NEW DIMENSION SEC
4/14	FVF	1000	29-1/2	29,837.50	337.50	NEW DIMENSION SEC
4/14	FVF	500	29-1/2	14,840.00	90.00	NEW DIMENSION SEC
4/16	FVF	1000	29-1/2	29,852.50	352.50	NEW DIMENSION SEC
4/22	FVF	200	25	5,063.00	63.00	NEW DIMENSION SEC
4/22	FVF	300	26	7,911.00	111.00	NEW DIMENSION SEC
TOTAL		129,844		$5,289,240.66	$3,602.91	

TOTAL SHARES PURCHASED 129,844

5/23/69
25% STOCK DIV.
F.D.F. 2025
F.V.F. 7,125

7/28/69
25% STOCK DIV.
F.D.F. 6,200
F.V.F. 10,806.25

TOTAL 156,000 25

FVF
FINANCIAL VENTURE FUND, INC
FDF
FINANCIAL DYNAMICS FUND, INC.
FIF
FINANCIAL INDUSTRIAL FUND, INC.

1892

ONLY COPY AVAILABLE

1893 GX 64

GOVT EXH 64--LETTER DATED DECEMBER 9, 1969

December 9, 1969

Mr. Milton Cohen
President
Richard Packing Co.
790 So. Cleveland Ave.
St. Paul, MN 55116

Dear Milton:

Re: Baton Rouge, Louisiana

Yesterday, December 8, I met with Jack Cristina and his partner to discuss the Circus Wagon franchise This is another case where the franchisee has been promised something that we have to deliver, i.e., "Building in thirty days." "Richard Franchise has 25 million dollars." No knowledge of Richard Franchise rental computations by sales force.

Cristina was interested in making several real estate deals; however, because Status Realty could not find a broker to split fee, they turned down the area. Yesterday I approved a location for an improved lease, subject to final rental figures and our form, and tentatively approved a possible purchase if the costs can be resolved. Incidentally, I have received a new check in the amount of $36,000 dated December 4, 1969, with the following provision typed on the back of the check: "Subject to consummation of two real estate locations by March 8, 1970."

How does Status Marketing assist us in keeping these two deals alive? Where are the signed license agreements mailed from St. Paul on November 24 to Status Marketing? Let's not blow this one.

Very truly yours,

J. J. Kally
President

JJK/bc
cc: William Ward
Dean Faris
R. and J. Zavidow

ONLY COPY AVAILABLE

GOVT EXH. 65-- MEMORANDUM

760 SOUTH CLEVELAND AVENUE • ST. PAUL 5, MINN.

S. D. OF N. Y.
65 id

MEMORANDUM

Re: Circus Wagon Franchisees - As of February 13, 1970

Jack Cristina - Baton Rouge, Louisiana - two locations,
- Franchise Licensing Agreement - Dated November 5, 1969
- Payment has been received for $36,000.00 plus will receive two notes each in the amount of $2,000.00
- Licensing agreement grants options for units #3 through #20 (If all options are exercised, franchisee would disbursed the full $20,000 for each unit, with the exception of units #5 and #10, where in franchise fee is waived).

James Durkin - Wikes Barre, Pa. - one location
- Franchise Licensing Agreement, dated December 16, 1969
- Payments received totaling $20,000.00

Steven M. Glynn (Srab Foods, Ltd.) - Merrick, N. Y. - one location
- Licensing Agreement - dated September 23, 1969
- Payments received totaling $20,000.00.

Bill L Wright (DBA Lexington United Investment Inc.) Lexington, Kentucky - one unit
- Deposit Agreement dated - December 17, 1969
- Payments received - $2,500.00 - NOT DEPOSITED
- Deposit ($2500.00) will not be deposited until purchase of property as described in deposit agreement is consumated.

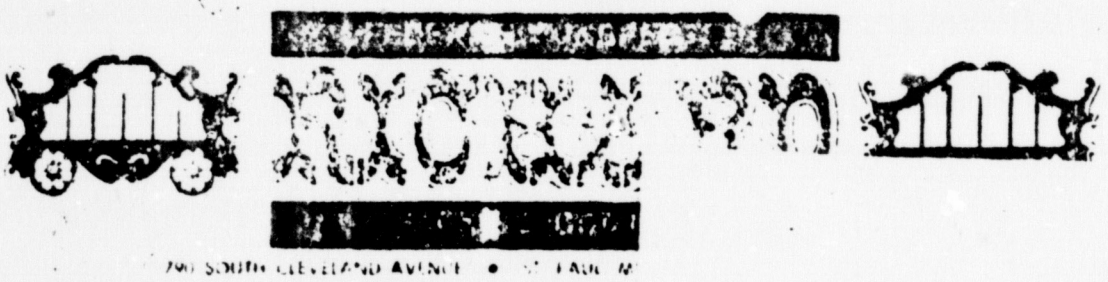
Edmund F. Perls - Palm Beach, Fla. - one unit
- Licensing Agreement dated November 1, 1969
- Payment received of $20,000. 00 (refundable)

Indeavors - Mass. Four Units
- Licensing Agreement dated August 2, 1969
- Payments received total $27,500.00 including full payment for unit one, and down payments for units two, three and four.

Joseph Murray - Puerto Rico- two units
- Licensing Agreement signed
- Payments received totaling $40,000.00

ONLY COPY AVAILABLE

Mudek - St. Paul Three units
- Licensing agreement dated
- Payments received total $7,500 as refundable deposits on three units.



Sten Ronlov - Los Angeles one unit
- Licensing agreement dated Sept. 20, 1969
- Payments received total $6,500.00 plus a promissary note of $13,500.00 that was due on or before November 26, 1969.
- Franchise does have the right of first refusal on the Denver area for 180 days commencing on the day franchise opens in the Los Angeles area.

Herman Weingarten - Westchester County, N. Y. one unit
- Licensing Agreement dated October 29, 1969 (Binding Nov. 7, 1969)
- Payments received of $20,000.00
- Franchisee has right of first refusal in the Southern Westchester County for five years, whereas franchisee must pay the full franchise fee within ten (10) days of being notified that a franchise is available.

Zucker
- See Circus Wagon International

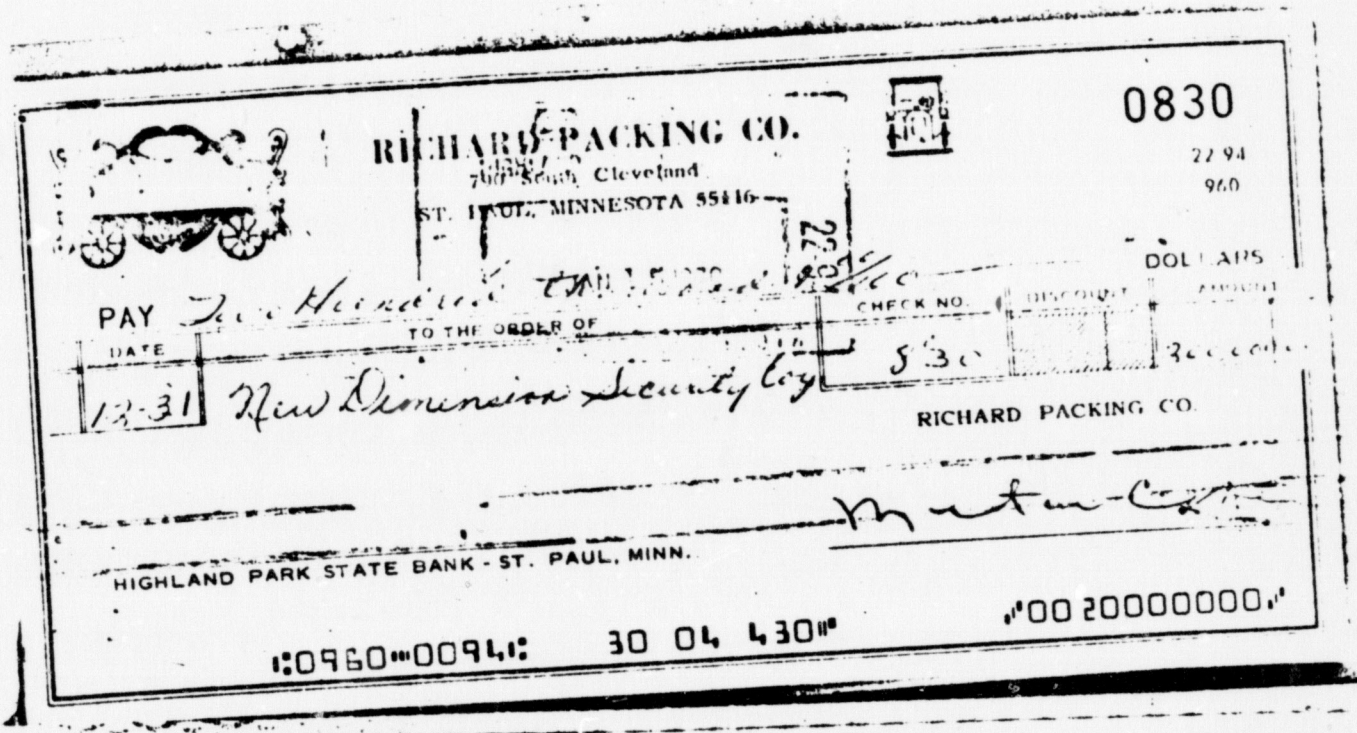
Thomas Lyden (DBA Wagon Masters of Ohio)
- See Circus WAgon International

Marketing Syndicate Florida fifteen units
- Agreement dated June 23, 1969
- Payments received totaling $10,000.00
- Balance of franchise fees on units one and two will be paid thirty (30) days after the opening of each.
- Licensee's obligation to execute the third franchise agreement shall be 180 days after the opening of the licensee's first Circus WAgon unit.

ONLY COPY AVAILABLE

1896

GOVT EXH 71a-f--CHECKS



RICHARD PACKING CO.
7[illegible] South Cleveland
ST. PAUL, MINNESOTA 55116

0830
27-94
960

DOLLARS

PAY [illegible] TO THE ORDER OF

DATE 12-31

New Dimension Security Corp

CHECK NO. 830

DISCOUNT

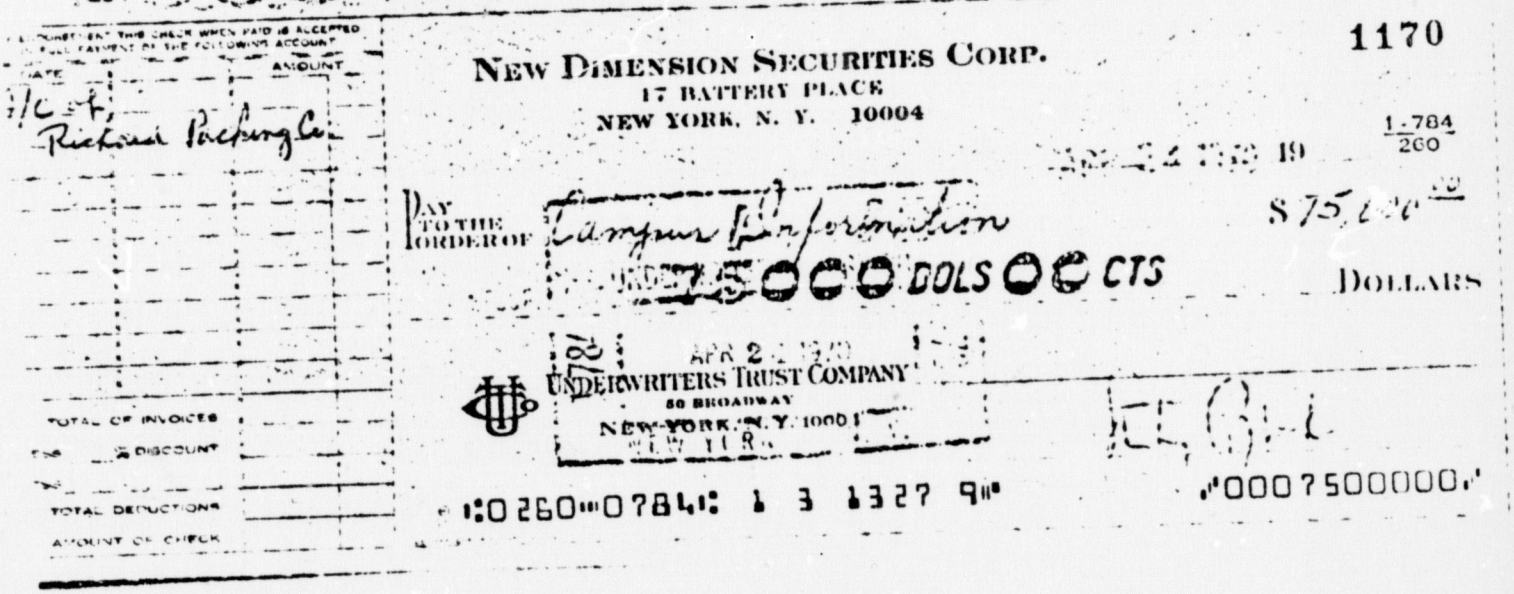
AMOUNT [illegible]

RICHARD PACKING CO.

[illegible]

HIGHLAND PARK STATE BANK - ST. PAUL, MINN.

⑆0960⑈0094⑆ 30 04 430⑈ ⑈00 20000000⑈



IT WILL BE TO YOUR ADVANTAGE TO SIGN THIS CHECK WHEN PAID IN ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT

DATE | AMOUNT

3/C of Richard Packing Co

TOTAL OF INVOICES
LESS DISCOUNT
TOTAL DEDUCTIONS
AMOUNT OF CHECK

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1170

1-784
260

19

PAY TO THE ORDER OF Langner Corporation

$75,000.00

75000 DOLS 00 CTS

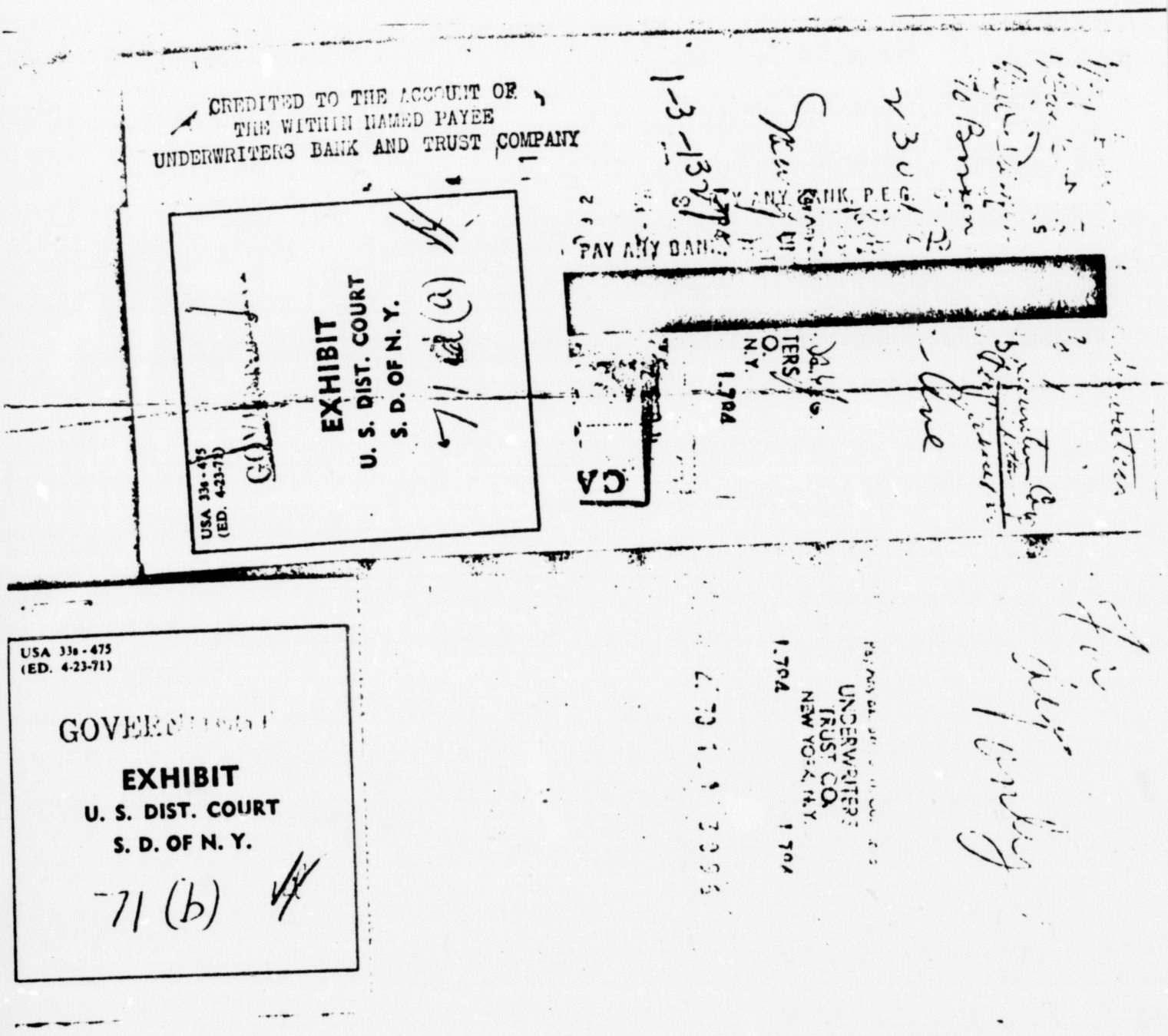
DOLLARS

APR 2

UNDERWRITERS TRUST COMPANY
60 BROADWAY
NEW YORK, N.Y. 10006

⑆0260⑈0784⑆ 1 3 1327 9⑈ ⑈0007500000⑈

ONLY COPY AVAILABL



ONLY COPY AVAILABLE

DATE	AMOUNT
TOTAL OF INVOICES	
LESS DISCOUNT	
LESS	
TOTAL DEDUCTIONS	
AMOUNT OF CHECK	

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1235

1-784
260

19

PAY TO THE ORDER OF

$

DOLLARS

MAY 29 19[illegible]
UNDERWRITERS TRUST COMPANY
30 BROADWAY
NEW YORK, N. Y. 10004

:0260=0784: 1 3 1327 9" "000250000"

DATE	AMOUNT
TOTAL OF INVOICES	
LESS DISCOUNT	
LESS	
TOTAL DEDUCTIONS	
AMOUNT OF CHECK	

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1317

19

PAY TO THE ORDER OF

$

DOLLARS

Underwriters Bank and Trust Company
30 BROADWAY
New York, N.Y. 10004

:0260=0784: 1 3 1327 9" "000250000"

ONLY COPY AVAILABLE

USA 33s - 475
(ED. 4-23-71)

GOVERNMENT

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

71 (c) IN

PAY TO THE ORDER OF
HIGHLAND PARK STATE BANK
22-94 ST. PAUL, MINN. 824
All Prior Endorsements Guaranteed
FOR DEPOSIT ONLY
RICHARD PACKING COMPANY

22-94
PAY ANY BANK, P.E.O.
ST. PAUL, MINN.
FIRST NATIONAL BANK, MPLS.

PS 6314 27 70 22-94

USA 33s - 475
(ED. 4-23-71)

GOVERNMENT

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

71 (e) IN

ONLY COPY AVAILABLE

1900

1344

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1-784/260

PAY TO THE ORDER OF Robert Lehman Co. $50,000

UNDERWRITERS & 00/100 CTS DOLLARS

Underwriters Bank and Trust Company
50 BROADWAY
NEW YORK, N. Y. 10004

⑆0260⑆0784⑆ 1 3 1327 9⑈ ⑈000500000⑈

1256

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1-784/260

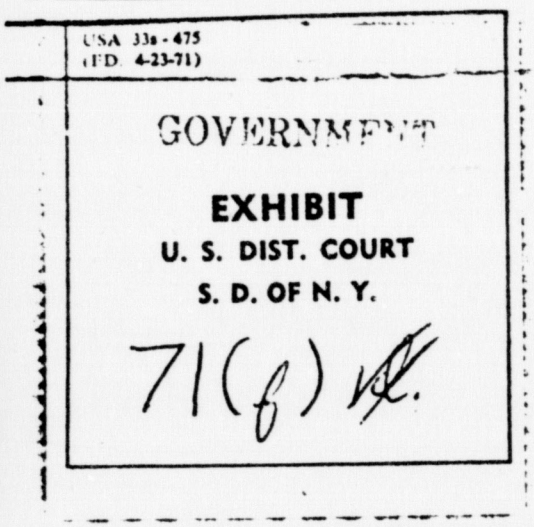
PAY TO THE ORDER OF Robert Lehman Co. $25,000

25 & 00/100 CTS DOLLARS

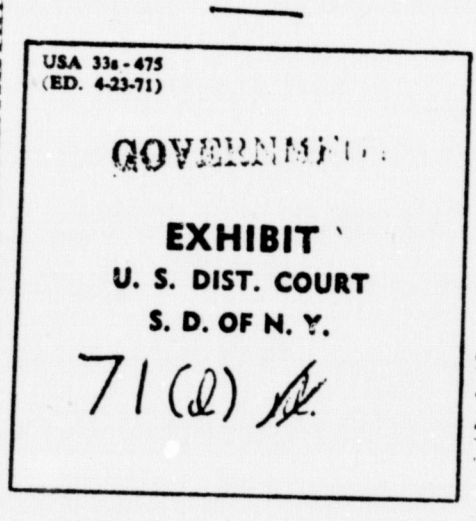
UNDERWRITERS TRUST COMPANY
50 BROADWAY
NEW YORK, N. Y. 10004

⑆0260⑆0784⑆ 1 3 1327 9⑈ ⑈000250000⑈

ONLY COPY AVAILABLE



PAY TO THE ORDER OF
HIGHLAND PARK STATE BANK
22-94 ST PAUL, MINN. 824
All Prior Endorsements Guaranteed
FOR DEPOSIT ONLY
RICHARD PACKING COMPANY



ONLY COPY AVAILABLE

GOVT EXH 72--STATEMENTS

STATEMENT

New Dimension Securities Corporation
17 BATTERY PLACE, NEW YORK, NEW YORK 10004
(212) 422-4040

CLOSING DATE 03/31/70

~~RECEIVED~~ OR LONG	~~SOLD DELIVERED~~ OR SHORT	DESCRIPTION SECURITIES LONG AND/OR SHORT IN YOUR ACCOUNT, IF ANY, WERE SHOWN ON YOUR STATEMENT FOR PRECEDING MONTH.	PRICE OR LEGEND	DEBIT	CREDIT
		BALANCE 03/30			.00CR
		CONV TO CRI	J.E.		200000.00CR
NO ITEMS IN STOCK ACCOUNT					
					200000.00CR
					BALANCE

11 RICHARD PACKING COMPANY
790 SOUTH CLEVELAND
ST PAUL MINN

10006-1

THAT YOU RETAIN THIS STATEMENT TO ASSIST YOU IN PREPARING YOUR INCOME TAX RETURN. STATEMENT OF THIS FIRM IS AVAILABLE FOR YOUR PERSONAL INSPECTION AT ITS OFFICES, OR A E MAILED UPON YOUR WRITTEN REQUEST.

E. & O. E.

ANY FREE CREDIT BALANCE REPRESENTS FUNDS PAYABLE UPON DEMAND WHICH ALTHOUGH PROPERLY ACCOUNTED FOR ON OUR BOOKS OF RECORD ARE NOT SEGREGATED AND MAY BE USED IN THE CONDUCT OF THIS FIRM'S BUSINESS. IF THIS IS A GENERAL ACCOUNT AND WE MAINTAIN A SPECIAL MISCELLANEOUS ACCOUNT FOR YOU UNDER SECTION 4 (F) (8) OF REGULATION T OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, THIS IS A COMPLETE STATEMENT OF YOUR GENERAL ACCOUNT AND SPECIAL MISCELLANEOUS ACCOUNT. THE PERMANENT RECORD OF THE SPECIAL MISCELLANEOUS ACCOUNT AS REQUIRED BY REGULATION T IS AVAILABLE FOR YOUR INSPECTION AT YOUR REQUEST.

ONLY COPY AVAILABLE

1903

STA
STATE

New Dimension Securities Corporation

17 BATTERY PLACE, NEW YORK, NEW YORK 10004
(212) 422-4040

CLOSING D.

04/30/70

SOUGHT RECEIVED OR LONG	SOLD DELIVERED OR SHORT	DESCRIPTION SECURITIES LONG AND/OR SHORT IN YOUR ACCOUNT, IF ANY, WERE SHOWN ON YOUR STATEMENT FOR PRECEDING MONTH.	PRICE OR LEGEND	DEBIT	CREDIT
		BALANCE 03/31			200000.00CR
		CHECK CAMPUS INFORMATION	J.E.	75000.00	
NO ITEMS IN STOCK ACCOUNT					
					125000.00CR
					BALANCE

11 RICHARD PACKING COMPANY
790 SOUTH CLEVELAND
ST PAUL MINN

10006-1

T THAT YOU RETAIN THIS STATEMENT TO ASSIST YOU IN PREPARING YOUR INCOME TAX RETURN.
L STATEMENT OF THIS FIRM IS AVAILABLE FOR YOUR PERSONAL INSPECTION AT ITS OFFICES, OR A
BE MAILED UPON YOUR WRITTEN REQUEST.

E. & O. E.

ANY FREE CREDIT BALANCE REPRESENTS FUNDS PAYABLE UPON DEMAND WHICH ALTHOUGH PROPERLY ACCOUNTED FOR ON OUR BOOKS OF RECORD ARE NOT SEGREGATED AND MAY BE USED IN THE CONDUCT OF THIS FIRM'S BUSINESS. IF THIS IS A GENERAL ACCOUNT AND WE MAINTAIN A SPECIAL MISCELLANEOUS ACCOUNT FOR YOU UNDER SECTION 4 (F) (8) OF REGULATION T OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, THIS IS A COMBINED STATEMENT OF YOUR GENERAL ACCOUNT AND SPECIAL MISCELLANEOUS ACCOUNT. THE PERMANENT RECORD OF THE SPECIAL MISCELLANEOUS ACCOUNT AS REQUIRED BY REGULATION T IS AVAILABLE FOR YOUR INSPECTION AT YOUR REQUEST.

ONLY COPY AVAILABLE

1904

New Dimension Securities Corporation

17 BATTERY PLACE, NEW YORK, NEW YORK 10004

(212) 422-4040

STATE

CLOSING

05/31/70

BOUGHT RECEIVED OR LONG	SOLD DELIVERED OR SHORT	DESCRIPTION SECURITIES LONG AND/OR SHORT IN YOUR ACCOUNT IF ANY, WERE SHOWN ON YOUR STATEMENT FOR PRECEDING MONTH.	PRICE OR LEGEND	DEBIT	CREDIT
		BALANCE 04/30			125000.00CR
		CHECK ISSUED	J.E.	25000.00	
		NO ITEMS IN STOCK ACCOUNT			
					100000.00CR
					BALANCE

11 RICHARD PACKING COMPANY
790 SOUTH CLEVELAND
ST PAUL MINN

10006-1

THAT YOU RETAIN THIS STATEMENT TO ASSIST YOU IN PREPARING YOUR INCOME TAX RETURN.
STATEMENT OF THIS FIRM IS AVAILABLE FOR YOUR PERSONAL INSPECTION AT ITS OFFICES, OR A
E MAILED UPON YOUR WRITTEN REQUEST.

E. & O. E.

ANY FREE CREDIT BALANCE REPRESENTS FUNDS PAYABLE UPON DEMAND WHICH ALTHOUGH PROPERLY ACCOUNTED FOR ON OUR BOOKS OF RECORD ARE NOT SEGREGATED AND MAY BE USED IN THE CONDUCT OF THIS FIRM'S BUSINESS. IF THIS IS A GENERAL ACCOUNT AND WE MAINTAIN A SPECIAL MISCELLANEOUS ACCOUNT FOR YOU UNDER SECTION 4 (F) (6) OF REGULATION T OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, THIS IS A COMBINED STATEMENT OF YOUR GENERAL ACCOUNT AND SPECIAL MISCELLANEOUS ACCOUNT. THE PERMANENT RECORD OF THE SPECIAL MISCELLANEOUS ACCOUNT AS REQUIRED BY REGULATION T IS AVAILABLE FOR YOUR INSPECTION AT YOUR REQUEST

ONLY COPY AVAILABLE

1905

ST.
STATE

New Dimension Securities Corporation

17 BATTERY PLACE, NEW YORK, NEW YORK 10004
(212) 422-4040

CLOSING
06/30/7

BOUGHT RECEIVED OR LONG	SOLD DELIVERED OR SHORT	DESCRIPTION SECURITIES LONG AND/OR SHORT IN YOUR ACCOUNT IF ANY, WERE SHOWN ON YOUR STATEMENT FOR PRECEDING MONTH.	PRICE OR LEGEND	DEBIT	CREDIT
		BALANCE 05/31			100000.00CR
		CHECK	J.E.	25000.00	
		CHECK	J.E.	25000.00	
NO ITEMS IN STOCK ACCOUNT					
					50000.00CR
					BALANCE

11 RICHARD PACKING COMPANY
790 SOUTH CLEVELAND
ST PAUL MINN

10006-1

ST THAT YOU RETAIN THIS STATEMENT TO ASSIST YOU IN PREPARING YOUR INCOME TAX RETURN.
L STATSMENT OF THIS FIRM IS AVAILABLE FOR YOUR PERSONAL INSPECTION AT ITS OFFICES, OR A
BE MAILED UPON YOUR WRITTEN REQUEST.

E. & O. E.

ANY FREE CREDIT BALANCE REPRESENTS FUNDS PAYABLE UPON DEMAND WHICH ALTHOUGH PROPERLY ACCOUNTED FOR ON OUR BOOKS OF RECORD ARE NOT SEGREGATED AND MAY BE USED IN THE CONDUCT OF THIS FIRM'S BUSINESS IF THIS IS A GENERAL ACCOUNT AND WE MAINTAIN A SPECIAL MISCELLANEOUS ACCOUNT FOR YOU UNDER SECTION 4 (F) (5) OF REGULATION T OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM. THIS IS A COMBINED STATEMENT OF YOUR GENERAL ACCOUNT AND SPECIAL MISCELLANEOUS ACCOUNT. THE PERMANENT RECORD OF THE SPECIAL MISCELLANEOUS ACCOUNT AS REQUIRED BY REGULATION T IS AVAILABLE FOR YOUR INSPECTION AT YOUR REQUEST

ONLY COPY AVAILABLE

1906

GOVT EXHS 73A-J--CHECKS

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1116

1-764
260

19

PAY TO THE ORDER OF

$ 20000 DOLS 00 CTS

DOLLARS

APR 10 1972

UNDERWRITERS TRUST COMPANY
80 BROADWAY
NEW YORK, N.Y. 10004

TOTAL DEDUCTIONS
AMOUNT OF CHECK

⑆0260-0784⑆ 1 3 1327 9⑈ ⑈000 2000000.⑈

01 FAR

STATES

FRANKLIN NATIONAL BANK

1.449

1.449

43-9 0220 5136

USA 33s - 475
(ED. 4-23-71)

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
73(a)

ONLY COPY AVAILABLE

1907

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1117

19 1-784/260

PAY TO THE ORDER OF [illegible] $ [illegible]

10000 DOLS 00 CTS DOLLARS

UNDERWRITERS TRUST COMPANY
60 BROADWAY
NEW YORK, N.Y. 10004

AMOUNT
INVOICE #
DISCOUNT
DEDUCTIONS
NET PROCEEDS

⑆0260⑈07846⑆ 1 3 1327 9⑈ "000 1000000"

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1121

Apr 6 19 70 1-784/260

PAY TO THE ORDER OF [illegible] $ [illegible]

2000 DOLS 00 CTS DOLLARS

UNDERWRITERS TRUST COMPANY
60 BROADWAY
NEW YORK, N.Y. 10004

⑆0260⑈07846⑆ 1 1 1427 9⑈ "0000 2000000"

ONLY COPY AVAILABLE

USA 33a - 475
(ED. 4-23-71)

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

73(c)

USA 33a - 475
(ED. 4-23-71)

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

73(b)

ONLY COPY AVAILABLE

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1335

1-784
260

PAY TO THE ORDER OF

DOLLARS

Underwriters Bank and Trust Company
50 BROADWAY
New York, N. Y. 10004

:0260=0784: 1 3 1327 9"

"0000200000"

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1274

1-784
260

PAY TO THE ORDER OF

DOLLARS

UNDERWRITERS TRUST COMPANY
50 BROADWAY
NEW YORK, N.Y. 10004

:0260=0784: 1 3 1327 9"

"0000400000"

ONLY COPY AVAILABLE

USA 33s - 473
(ED. 4-23-71)

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

73(d) 11

USA 33s - 473
(ED. 4-23-71)

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

73(e) 11

C1 PAY TO THE ORDER OF C1
FRANKLIN NATIONAL BANK
STATUS MARKETING CORPORATION
[illegible]

For Any Bank or Trust Co. R.E.G.
FRANKLIN NATIONAL BANK
[illegible]
NEW YORK, NEW YORK [illegible]
[illegible] CA 1-413

⑈ 10 70 020 3286

For Any Bank or Trust Co.
UNDERWRITERS
TRUST CO.
NEW YORK, [illegible]

⑈ -770 111 1714

Pay to the order of [illegible]
$ [illegible]
DATED

ONLY COPY AVAILABLE

1911

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1903

19 1-784/260

PAY TO THE ORDER OF

$

DOLLARS

Underwriters Bank and Trust Company
50 BROADWAY
New York, N. Y. 10004

⑆0260⑈0784⑆ 1 3 1327 9⑈ ⑈0000600000⑈

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1112

19 1-784/260

PAY TO THE ORDER OF

$

DOLLARS

Underwriters Bank and Trust Company
50 BROADWAY
New York, N. Y. 10004

⑆0260⑈0784⑆ 1 3 1327 9⑈

ONLY COPY AVAILABLE

USA 33s - 475
(Ed. 4-23-71)

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

73(F) 1d

USA 33s - 475
(Ed. 4-23-71)

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

73(J) 1d

ONLY COPY AVAILABLE

1913

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1269

1-784
260

19

PAY TO THE ORDER OF

DOLLARS

UNDERWRITERS TRUST COMPANY
80 BROADWAY
NEW YORK, N.Y. 10005

⑈0260⑈0784⑆ 1 3 6327 9⑈ ⑈000 1000000⑈

USA 336-475
(ED. 4-23-71)

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

13(g) 10

ONLY COPY AVAILABLE

1914

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1653

19 1-704/260

PAY TO THE ORDER OF

$

DOLLARS

Underwriters Bank and Trust Company
50 BROADWAY
New York, N.Y. 10004

⑆0260⑆0784⑆ 1 3 1327 9⑈ ⑈0000600000⑈

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1795

19 1-704/260

PAY TO THE ORDER OF

$

DOLLARS

Underwriters Bank and Trust Company
50 BROADWAY
New York, N. Y. 10004

⑆0260⑆0784⑆ 1 3 1327 9⑈ ⑈0000600000⑈

ONLY COPY AVAILABLE

USA 33s - 473
(ED. 4-23-71)

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

73(i) id

USA 33s - 473
(ED. 4-23-71)

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

1.3 (h) id

CT-170 111 72??

ONLY COPY AVAILABLE

1916

GOVT EXHIBITS 74A-C--CHECKS

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1572

19

$

DOLLARS

PAY TO THE ORDER OF

Underwriters Bank and Trust Company
80 BROADWAY

⑆0260⑈0784⑆ 1 1 1322 9⑈

USA 33s - 475
(ED. 4-23-71)

GOVERNMENT

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

74 (a)

ONLY COPY AVAILABLE

1917

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1285

6/17 19 70 1-784/260

PAY TO THE ORDER OF [illegible] $ 5000

5000 DOLS 00 CTS DOLLARS

UNDERWRITERS TRUST COMPANY
50 BROADWAY
NEW YORK, N. Y. 10004

784

[illegible]

:0260:0784: 1 3 1327 9" "0000500000"

DATE | AMOUNT

TOTAL OF INVOICES
LESS % DISCOUNT
LESS
TOTAL DEDUCTIONS
AMOUNT OF CHECK

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1444

19 1-784/260

PAY TO THE ORDER OF [illegible] $ [illegible]

[illegible] 00 CTS DOLLARS

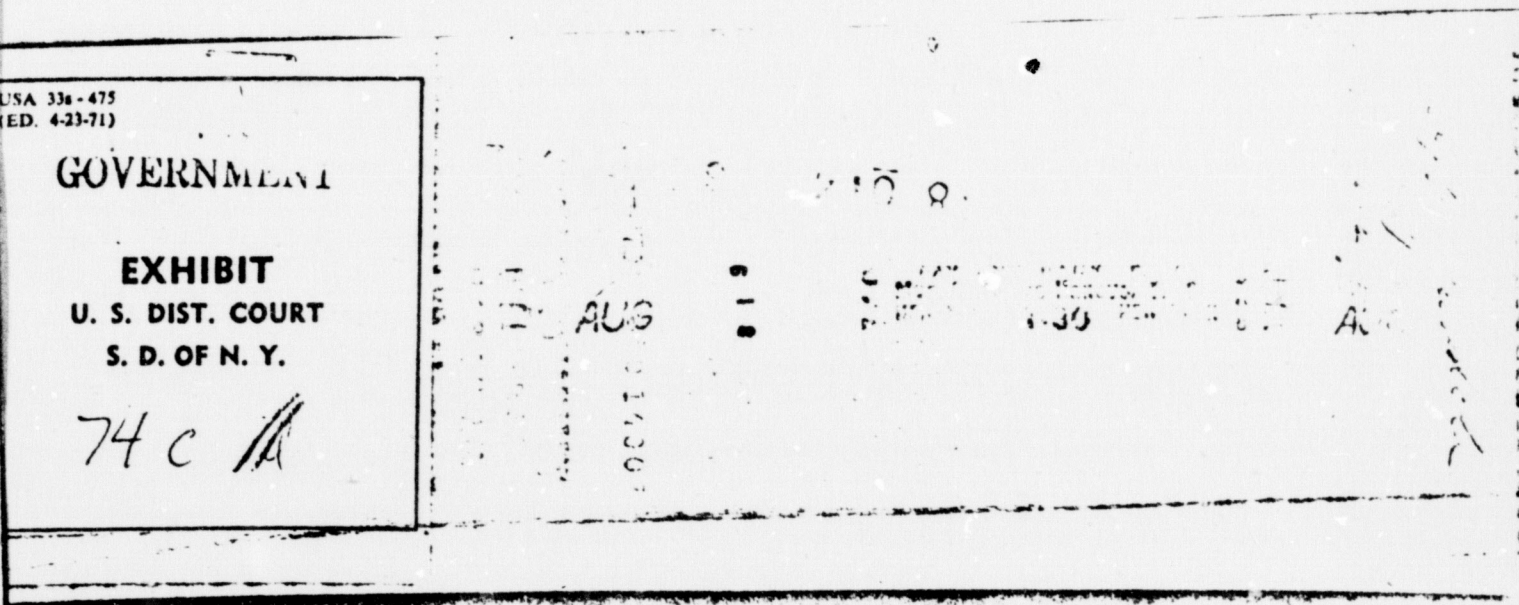
Underwriters Bank and Trust Company
50 BROADWAY
New York, N. Y. 10004

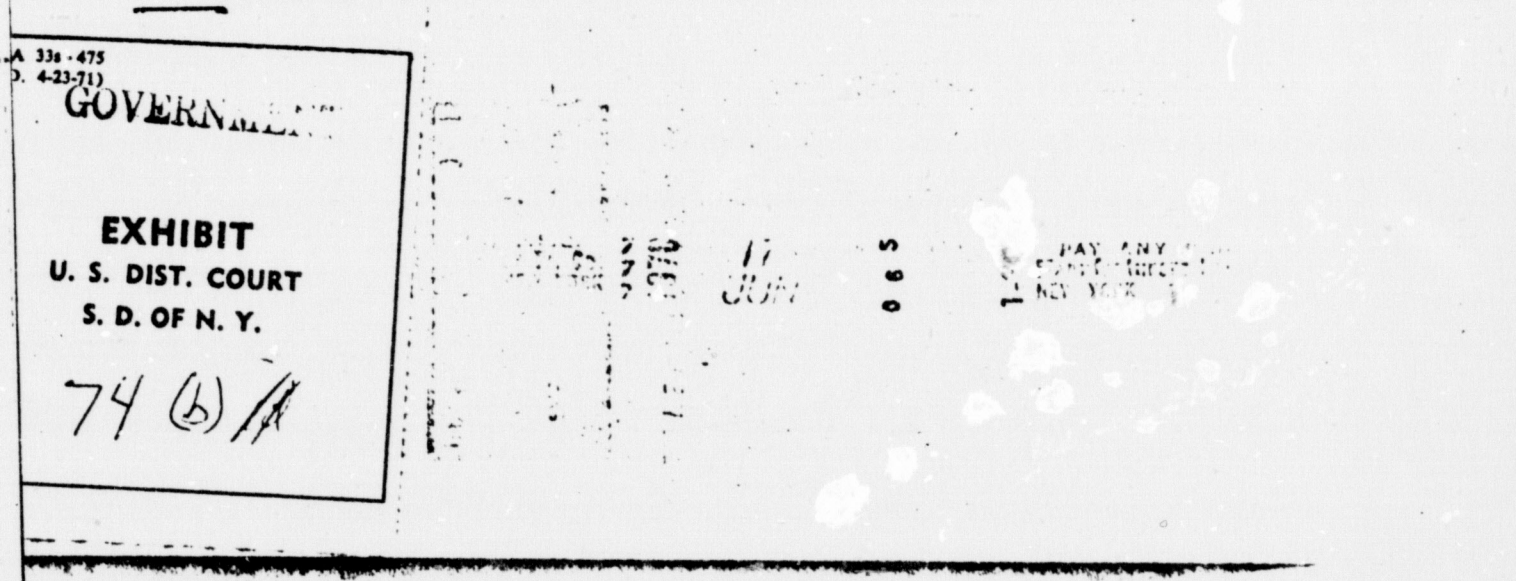
[illegible]

:0260:0784: 1 3 1327 9" "000[illegible]"

DATE | AMOUNT

ONLY COPY AVAILABLE





ONLY COPY AVAILABLE

1919

GOVT EXHIBIT 75A--CHECK

GX 75A

ATE		AMOUNT
TOTAL OF INVOICES		
LESS ___ % DISCOUNT		
LESS		
TOTAL DEDUCTIONS		
AMOUNT OF CHECK		

NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1

19 1/26

PAY TO THE ORDER OF [illegible]

$ [illegible]

[illegible] DOLLS 20 CTS DOLLARS

Underwriters Bank and Trust Company
50 BROADWAY
New York, N. Y. 10004

[illegible]

⑆0260⑈0784⑆ 1 3 1327 9⑈ ⑈00006 20000⑈

ONLY COPY AVAILABLE

1920

PAY TO THE ORDER OF
FIRST NATIONAL CITY BANK
KINGS HIGHWAY BRANCH
PINCUS DECORATORS INC
06126325

ONLY COPY AVAILABLE

GX 75B

1921

GOVT EXHIBIT 75B -- INVOICE

ESplanade 6-4007

11542

Pincus decorators Inc.

ESplanade 6-3488

3058-3062 AVENUE U • BROOKLYN, N. Y. 11229

ADD. DEP.

6/12/70

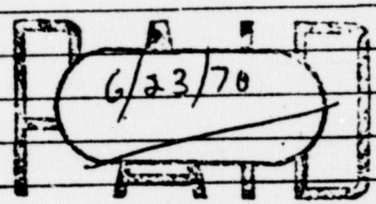
Sold to Stanley Rybock, c/o New Dimension Securities Phone

Address 17 Battery Place, New York City Apt.

BY THE REQUEST OF THE PURCHASER, PINCUS DECORATORS WILL MAKE AND FURNISH THE FOLLOWING ITEMS TO THE BEST OF THEIR ABILITY AND IT MUST BE UNDERSTOOD THAT THIS MERCHANDISE IS BEING MADE TO ORDER AND IS NOT SUBJECT TO ANY CHANGES, CANCELLATIONS OR REFUSAL. A CASH DEPOSIT AMOUNTING TO ONE-THIRD OF THE ORDER IS REQUIRED. UPON DELIVERY OF THE ENTIRE ORDER OR ANY PART THEREOF, A CASH PAYMENT IS REQUIRED IN FULL OR ANY PART ACCEPTED. THE MERCHANDISE HEREIN MENTIONED IS TO REMAIN THE PROPERTY OF PINCUS DECORATORS UNTIL FULLY PAID FOR.

"DELIVERY OF FURNITURE REQUIRING HOISTING WILL BE MADE ONLY AT THE EXPENSE AND RISK OF PURCHASER"

	Living Room Furniture	
	Den Furniture	
	Dining Room Furniture	
	Child's Bedroom Furniture	6200 00
	Drapes for above rooms	
	Additional Bedroom Drapes	



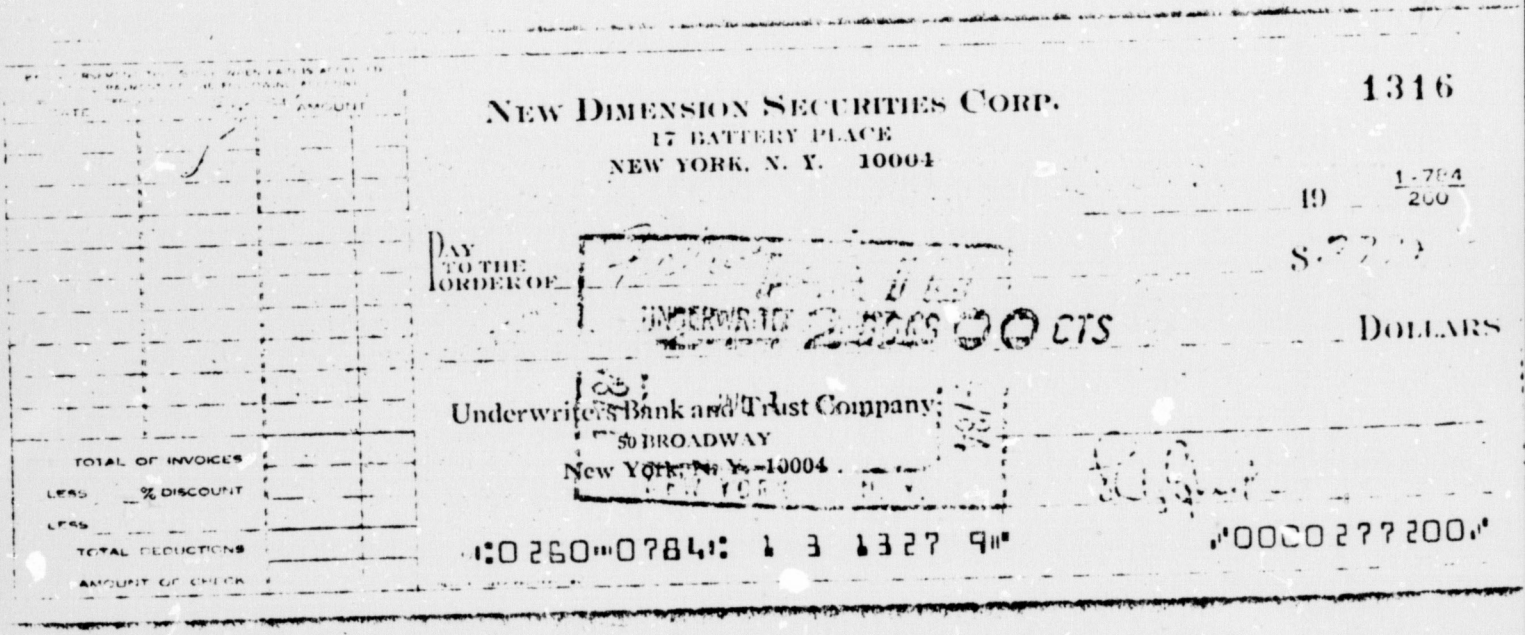
"NOT RESPONSIBLE FOR ANY FABRIC WHEN DRYCLEANED"

Salesman .....

Customer's Signature .....

ONLY COPY AVAILABLE

GOVT EXH 76--CHECK



NEW DIMENSION SECURITIES CORP.
17 BATTERY PLACE
NEW YORK, N. Y. 10004

1316

1-784
200

19

PAY TO THE ORDER OF

UNDERWRITERS [illegible] 00 CTS DOLLARS

Underwriters Bank and Trust Company
50 BROADWAY
New York, N. Y. 10004

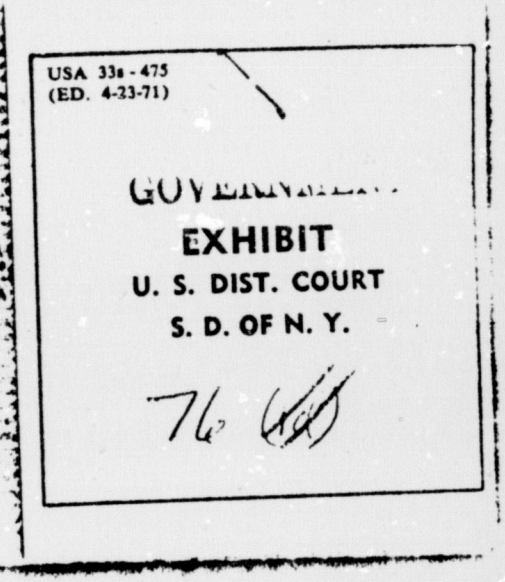
TOTAL OF INVOICES
LESS % DISCOUNT
LESS
TOTAL REDUCTIONS
AMOUNT OF CHECK

:0260=0784: 1 3 1327 9"

"0000 277 200"

GX 76

ONLY COPY AVAILABLE



ONLY COPY AVAILABLE

GOVT EXH 78e--PROPOSAL 1924

ANTIQUES . TIN OBJETS
915 NORTH LA CIE[illegible] ES, CALIFORNIA 90069 · OL 7-7950

PROPOSAL

April 28, 1970

Deutsch & Du boff
124 East 38th Street
New York, New York

4th Floor -- Front

1092 93

One (1) Queen Size hide-a-bed, 93" L,	$444.00
to be covered in	
14 yds. yellow linan velvet, @$13.25/yd.	185.50
	$629.50

1047 48

1047 50

Total Deposit _____ Total Amount Ordered $529.5[illegible]

This proposal constitutes our agreement to pay for the items referred to herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein.

_____ F. P. AUSTIN & CO.
PURCHASER

DATE _____ BY _____

Time is of the essence of this agreement as to any payments to be made by purchaser as herein provided. In the event of purchaser's failure to make payments under this proposal, purchaser agrees to pay reasonable attorney's fees of F. P. AUSTIN & CO. in connection with the enforcement of same. No promise, representation or warranty, express or implied, not herein set forth, shall bind either party hereto. All promises, understandings or agreements of any kind, pertaining to this proposal, not contained herein, are hereby expressly waived and this instrument shall constitute the entire agreement between the parties hereto. F. P. AUSTIN & CO. shall not be liable for any default or delay caused by any contingency beyond its control.

It is agreed that F. P. AUSTIN & CO. retains title to all of the items referred to herein until such time as all items are paid in full by the purchaser.

No changes in this proposal shall be valid unless accepted in writing by an officer of F. P. AUSTIN & CO.

PROPOSAL NUMBER 1049

ONLY COPY AVAILABLE

CHARGE TO 108 D & D

SHIP TO

SHEET No.

JOB No. 1935

QTY.	PIECE NO.	DESCRIPTION	VENDOR AND BREAKDOWN COST	UNIT COST	TOTAL COST	UNIT SELL	TOTAL SE
		Forth Floor. Front.	P.O. 2763				
1		Hide a bed.	Decorator Sleep 444 or 4424				
	Lumaire-5 queen size		1092 Sermonetta				
14yd	93" Long. to be covered		Brunswick Allen St.				
~~14yds~~	~~10362-23~~	in yellow Lenox velvet.	Elizabeth N.J. 07207	28.17			
	yellow		Att A. Klepchick.				
	3845M.						
			1093 B & F	~~Cost~~			
				~~Unit~~			
				~~Sell~~			
		Dep: 629.50		$13.25	185.50		
					629.50		
			M.U.		209.83		
					839.33		

ONLY COPY AVAILABLE

F. P. AUSTIN & CO.
ANTIQUES OBJETS D'ART
915 NORTH LA CIENEGA, LOS ANGELES CALIFORNIA 90069 • OL

1926

GOVT EXH 78f--PROPOSAL

PROPOSAL

April 2[illegible], 19[illegible]

Deutsch & Sharoff
[illegible] East
New York, New York

3rd Floor Landing

One (1) Very Important English Regency Sideboard; heavily veneered rosewood, with unusual patine, on mahogany; 4-mirrored doors. An Exceptional Piece of the Period. $4,000.00

Total Deposit _____ Total Amount Ordered $4,000.00

This proposal constitutes our agreement to pay for the items referred to herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein.

_____ F. P. AUSTIN & CO.
PURCHASER

DATE _____ BY _____

Time is of the essence of this agreement as to any payments to be made by purchaser as herein provided. In the event of purchaser's failure to make payments under this proposal, purchaser agrees to pay reasonable attorney's fees of F. P. AUSTIN & CO. in connection with the enforcement of same. No promise, representation or warranty, express or implied, not herein set forth, shall bind either party hereto. All promises, understandings or agreements of any kind, pertaining to this proposal, not contained herein, are hereby expressly waived and this instrument shall constitute the entire agreement between the parties hereto. F. P. AUSTIN & CO. shall not be liable for any default or delay caused by any contingency beyond its control.

It is agreed that F. P. AUSTIN & CO. retains title to all of the items referred to herein until such time as all items are paid in full by the purchaser.

No changes in this proposal shall be valid unless accepted in writing by an officer of F. P. AUSTIN & CO.

PROPOSAL NUMBER 1047

ONLY COPY AVAILABLE

CHARGE TO D & B | SHIP TO | SHEET No. | JOB No. 1

QTY.	PIECE NO.	DESCRIPTION	VENDOR AND BREAKDOWN COST	UNIT COST	TOTAL COST	UNIT SELL	TOTAL SELL
		2ND FLOOR LANDING					
1	395	VERY IMPORTANT ENGLISH REGENCY SIDEBOARD; HEAVILY VENEERED ROSEWOOD, WITH UNUSUAL PATINA, ON MAHOGANY; FOUR NORMANDY DOORS. AN EXCEPTIONAL PIECE OF THE PERIOD	T/D F.D. Austin & Co.	$600 net		$1333.33	$4000 net
			Dep: ~~4800~~ ~~3,9999~~ 4,100.00			$1333.33	

1927

ONLY COPY AVAILABLE

GOVT EXH 78j--PROPOSAL 1923

F. P. AUSTIN & CO.
ANTIQUES OBJETS D'ART
915 NORTH LA CIENEGA, LOS ANGELES, CALIFORNIA 90069 • OL 7-7950

PROPOSAL

June 26 197

[illegible] & Dahlhoff
[illegible] 73th Street
New York, New York

CONFERENCE ROOM

One (1) Important 18th Century English dining room table, Circa: 179[illegible].

One (1) Important Chandelier, 18th Century English, Crystal, to be wired. 200.

OFFICE

One (1) English Regency table-desk with carved lion head, legs tapered to lion's paws. [illegible]00.

Total Deposit $2[illegible],340.00 Total Amount Ordered $12[illegible],810.00

This proposal constitutes our agreement to pay for the items referred to herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein.

PURCHASER — F. P. AUSTIN & CO.

DATE — BY

Time is of the essence of this agreement as to any payments to be made by purchaser as herein provided. In the event of purchaser's failure to make payments under this proposal, purchaser agrees to pay reasonable attorney's fees of F. P. AUSTIN & CO. in connection with the enforcement of same. No promise, representation or warranty, express or implied, not herein set forth, shall bind either party hereto. All promises, understandings or agreements of any kind, pertaining to this proposal, not contained herein, are hereby expressly waived and this instrument shall constitute the entire agreement between the parties hereto. F. P. AUSTIN & CO. shall not be liable for any default or delay caused by any contingency beyond its control.

It is agreed that F. P. AUSTIN & CO. retains title to all of the items referred to herein until such time as all items are paid in full by the purchaser.

No changes in this proposal shall be valid unless accepted in writing by an officer of F. P. AUSTIN & CO.

PROPOSAL NUMBER 1193

ONLY COPY AVAILABLE.

ARGE TO

SHIP TO

SHEET No.

JOB No.

1211

ONLY COPY AVAILABLE

QTY.	PIECE NO.	DESCRIPTION	VENDOR AND BREAKDOWN COST	UNIT COST	TOTAL COST	UNIT SELL	TOTAL SELL
		Conference Room					
1.		Important 18th Century English Regency					
		dining room table	London			$8,640.00	
		Circa ~~1800~~ 1795				8640.00	
		Conference Room					
	1923	Important Mahogany & Parcel Gilt English				$3,200.00	
		crystal chandelier to be				1,000.00	
		wired	London	charge to make		8,200.00	
				on 3000.00			
1		Mr. Rubloff offered.					
1.		English Regency	London.			$6000.00	
		table desk with				6000.00	
		curved leaves round					
		legs tapered & brass					
		Rosettes					
					22,840.00		

1930

GOVT EXH 78n--PROPOSAL

F. P. AUSTIN & CO.
ANTIQUES OBJETS D'ART
915 NORTH LA CIENEGA, LOS ANGELES, CALIFORNIA 90069 • OL 7-7950

PROPOSAL

1970

[redacted]

1015

Foyer:

One (1) Pr. Chinese porcelain [illegible]

One (1) Persian blue and white vase.

Lounge:

One (1) Pr. Large Chinese vases. [illegible].00

Mr. Du Boff's Office

One (1) Persian pottery vase. [illegible].00

One (1) Pr. Persian pottery vases, multicolor. [illegible]

(cont'd)

Total Deposit_____ Total Amount Ordered_____

This proposal constitutes our agreement to pay for the items referred to herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein.

_____ F. P. AUSTIN & CO.
PURCHASER

DATE_____ BY_____

Time is of the essence of this agreement as to any payments to be made by purchaser as herein provided. In the event of purchaser's failure to make payments under this proposal, purchaser agrees to pay reasonable attorney's fees of F. P. AUSTIN & CO. in connection with the enforcement of same. No promise, representation or warranty, express or implied, not herein set forth, shall bind either party hereto. All promises, understandings or agreements of any kind, pertaining to this proposal, not contained herein, are hereby expressly waived and this instrument shall constitute the entire agreement between the parties hereto. F. P. AUSTIN & CO. shall not be liable for any default or delay caused by any contingency beyond its control.

It is agreed that F. P. AUSTIN & CO. retains title to all of the items referred to herein until such time as all items are paid in full by the purchaser.

No changes in this proposal shall be valid unless accepted in writing by an officer of F. P. AUSTIN & CO.

PROPOSAL NUMBER 1039

ONLY COPY AVAILABLE

1031

F. P. AUSTIN & CO.
ANTIQUES OBJETS D'ART
915 NORTH LA CIENEGA, LOS ANGELES, CALIFORNIA 90069 • OL 7-7950

PROPOSAL

[illegible], 19[illegible]

[illegible] & Dubarry

[illegible] a

One (1) Chinese Yellow Jardinière

[illegible] Vase

[illegible] Table & Brass Bolsover.

[illegible] Basin

One (1) Brass Wall Light Sconce

$ 6,020.00

Total Deposit $6,020.00 Total Amount Ordered [illegible]

This proposal constitutes our agreement to pay for the items referred to herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein.

PURCHASER

F. P. AUSTIN & CO.

DATE

BY

Time is of the essence of this agreement as to any payments to be made by purchaser as herein provided. In the event of purchaser's failure to make payments under this proposal, purchaser agrees to pay reasonable attorney's fees of F. P. AUSTIN & CO. in connection with the enforcement of same. No promise, representation or warranty, express or implied, not herein set forth, shall bind either party hereto. All promises, understandings or agreements of any kind, pertaining to this proposal, not contained herein, are hereby expressly waived and this instrument shall constitute the entire agreement between the parties hereto. F. P. AUSTIN & CO. shall not be liable for any default or delay caused by any contingency beyond its control.

It is agreed that F. P. AUSTIN & CO. retains title to all of the items referred to herein until such time as all items are paid in full by the purchaser.

No changes in this proposal shall be valid unless accepted in writing by an officer of F. P. AUSTIN & CO.

PROPOSAL NUMBER 1038 (Page 2)

ONLY COPY AVAILABLE

CHARGE TO

Dimension Ltd.
NYC

~~WP IO~~

SHEET No.

JOB No.

ONLY COPY AVAILABLE

QTY.	PIECE NO.	DESCRIPTION	VENDOR AND BREAKDOWN COST	UNIT COST	TOTAL COST	UNIT SELL	TOTAL SELL
1		leaded glass Custom Coffee Table.	Paul Ferrante	~~1800.00~~			
~~2 1~~	Pool Room	~~English Parliament Clock~~		1600.00	✓	~~sold~~	1600.00
1 pr	Pool	Chinese Porcelain Garden tables	Dict. by Tom.(P.F.)	1200.00	pr ✓		1200.00
~~1~~		~~Blue Chinese Vases~~	4/7/70	~~1400.00~~	~~pr~~ ?	~~Rec 2nd fig.~~	
1	Apt Bath (2nd)	Brass Wall Light Sconce		350.00	✓		350.00
1		~~Silver~~ Tortoise Turtle Box ~~w/silver mounts~~		~~575.00~~	✓		
		~~Steel Sun-dial coffee table~~		~~900.00~~			
		~~Black Moroccan Chairs~~		~~1500.00 pr~~			
	Lounge	French Brass bench		475.00	✓		475.00
		~~Chinese Bronze container~~		~~300.00~~			
1932	Duroff	Persian pottery vase		250.00	✓		250.00
	Pool	Art Nouvo Vases "Camp"		650.00 pr	✓		650.00
		Persian Blue and White vase		320.00	✓		320.00
1		~~Pottery vase~~		~~350.00~~			
A1	~~Lounge~~ Reception	Chinese Yellow Jardiniere		1200.00	✓		1200.00
1		Chinese Mustard Green ~~Jardiniere~~		~~300.00~~			
1		~~Brass Planter~~		~~650.00~~			
1		Witches ball and stand		~~165.00~~ 155.00?			
1		~~English Wood Trunk w/steel hardware~~		~~900.00~~			
A1	Guest Office	tole & brass Samovar		350.00	✓		350.00

CHARGE TO

Dimention Mgt. NYC

SHIP TO

SHEET No.

JOB No.

ONLY COPY AVAILABLE

QTY.	PIECE NO.	DESCRIPTION	VENDOR AND BREAKDOWN COST	UNIT COST	TOTAL COST	UNIT SELL	TOTAL SELL
			P. Ferrante (contd)				
X1 pr	DUBOIS	Persian Pottery Vases multi-colo		375.[illegible]	EA. 750	✓	750.00
		Marble and Bronze Fertility Figure		2,800.00 ✓			
		Chinese Bronze Incense Burner		3,600.00			
				23,385.00			
			1/3 ad	7,795.00			
				31,180.00			
1 pr	LOUNGE	Large Chinese Vases	NO. 5 FAV	1,600.00 pr			1600.00
							8745.00
							791.68
	1935						11,160.68
							7145.00
					M/U		238.167
							9,526.68

1934

F. P. AUSTIN & CO.
ANTIQUES OBJETS D'ART

GOVT EXH 780--PROPOSAL

915 NORTH LA CIENEGA, LOS ANGELES, CALIFORNIA 90069 • OL 7-7950

PROPOSAL

Edition of November 1967

May 25, 1970

Deutsch & Duboff
124 East 30th Street
New York, New York

Mr. Duboff's Office

Additional Details of Order

1086

Total Deposit _____ Total Amount Ordered _____

This proposal constitutes our agreement to pay for the items referred to herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein.

_____ F. P. AUSTIN & CO.
PURCHASER

DATE _____ BY _____

Time is of the essence of this agreement as to any payments to be made by purchaser as herein provided. In the event of purchaser's failure to make payments under this proposal, purchaser agrees to pay reasonable attorney's fees of F. P. AUSTIN & CO. in connection with the enforcement of same. No promise, representation or warranty, express or implied, not herein set forth, shall bind either party hereto. All promises, understandings or agreements of any kind, pertaining to this proposal, not contained herein, are hereby expressly waived and this instrument shall constitute the entire agreement between the parties hereto. F. P. AUSTIN & CO. shall not be liable for any default or delay caused by any contingency beyond its control.

It is agreed that F. P. AUSTIN & CO. retains title to all of the items referred to herein until such time as all items are paid in full by the purchaser.

No changes in this proposal shall be valid unless accepted in writing by an officer of F. P. AUSTIN & CO.

PROPOSAL NUMBER

ONLY COPY AVAILABLE

CHARGE TO D + D

SHIP TO

SHEET No.

JOB No.

add to Prop #1017

QTY	PIECE NO.	DESCRIPTION	VENDOR AND BREAKDOWN COST	UNIT COST	TOTAL COST	UNIT SELL	TOTAL SELL
		3rd flr Dunhaff's office					
		roof					
1		21 yds. dark green cut velvet	C H	16 1/2 yd	346	30	

1035

ONLY COPY AVAILABLE

1936

GOVT EXHT 78q - PROPOSAL

ANTIQUES [illegible] OBJETS D'ART
915 NORTH LA CIENEGA, LOS ANGELES, CALIFORNIA 90069 · OI

Voided and Superseded No. [illegible]

PROPOSAL

Jun[illegible], 1970

Deutsch & Dubner
12[illegible] East 38th Street
New York, New York

Wall Treatment

1086 1087

3rd Floor -- Office

All walls to be covered in dark green cut velvet.

Guest Office & Hall

All walls to be covered in dark green suede cloth.

$ 1,[illegible]2.00

Total Deposit_____ Total Amount Ordered $1,[illegible]2.00

This proposal constitutes our agreement to pay for the items referred to herei and further constitutes an authorization to purchase on all the terms and conditi

_____ F. P. AUSTIN & C
PURCHASER

DATE_____ BY_____

Time is of the essence of this agreement as to any payments to be made by purchaser as herein provid payments under this proposal, purchaser agrees to pay reasonable attorney's fees of F. P. AUSTIN & C No promise, representation or warranty, express or implied, not herein set forth, shall bind either party ments of any kind, pertaining to this proposal, not contained herein, are hereby expressly waived and this i between the parties hereto. F. P. AUSTIN & CO. shall not be liable for any default or delay caused by any

It is agreed that F. P. AUSTIN & CO. retains title to all of the items referred to herein until such time as

No changes in this proposal shall be valid unless accepted in writing by an officer of F. P. AUSTIN & CO.

PROPOSAL NUMBER [illegible]-2

ONLY COPY AVAILABLE

HARGE TO

SHIP TO

D + B

17

SHEET No.

JOB No.

QTY.	PIECE NO.	DESCRIPTION	VENDOR AND BREAKDOWN COST	UNIT COST	TOTAL COST	UNIT SELL	TOTAL SELL
				1,322	00		

1938

F. P. AUSTIN & CO.
ANTIQUES OBJETS D'ART
915 NORTH LA CIENEGA, LOS ANGELES, CALIFORNIA 90069 • OL 7-7950

PROPOSAL

April 25, 1970

Deutsch & Dubroff
124 East 30th Street
New York, New York

Mail Treatment Cont'd

3rd Floor -- Mr. Dubroff's Office

All walls to be covered in dark green cut velvet. 36 yds. @$16.50/yd. $ [illegible]

Guest Office & Hall

All walls to be covered in dark green suede cloth. (same green as Mr. Dubroff's office). $ 720.00

Bath

All walls to be papered and upholstered brown and white texture fabric. 14 rolls @$10/roll. 140.00

$ 1,462.00

Total Deposit $1,462.00 Total Amount Ordered $1,462.00

This proposal constitutes our agreement to pay for the items referred to herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein.

PURCHASER F. P. AUSTIN & CO.

DATE BY

Time is of the essence of this agreement as to any payments to be made by purchaser as herein provided. In the event of purchaser's failure to make payments under this proposal, purchaser agrees to pay reasonable attorney's fees of F. P. AUSTIN & CO. in connection with the enforcement of same. No promise, representation or warranty, express or implied, not herein set forth, shall bind either party hereto. All promises, understandings or agreements of any kind, pertaining to this proposal, not contained herein, are hereby expressly waived and this instrument shall constitute the entire agreement between the parties hereto. F. P. AUSTIN & CO. shall not be liable for any default or delay caused by any contingency beyond its control.

It is agreed that F. P. AUSTIN & CO. retains title to all of the items referred to herein until such time as all items are paid in full by the purchaser.

No changes in this proposal shall be valid unless accepted in writing by an officer of F. P. AUSTIN & CO.

PROPOSAL NUMBER 1017

ONLY COPY AVAILABLE

GOVT EXH 78s--PROPOSAL 1939

F. P. AUSTIN & CO.
ANTIQUES OBJETS D'ART
915 NORTH LA CIENEGA, LOS ANGELES, CALIFORNIA 90069 • OL 7-7950

PROPOSAL

[illegible] 20, 6-

[illegible] & Nu Dorff
[illegible] Street
[illegible] York, New York

FRENCH ROOM:

[illegible], 11, Important Empire Bro[illegible]
[illegible] Estimate: 1810.

78
1543

Total Deposit [illegible] Total Amount Ordered [illegible]

This proposal constitutes our agreement to pay for the items referred to herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein.

_____ F. P. AUSTIN & CO.
PURCHASER

DATE _____ BY _____

Time is of the essence of this agreement as to any payments to be made by purchaser as herein provided. In the event of purchaser's failure to make payments under this proposal, purchaser agrees to pay reasonable attorney's fees of F. P. AUSTIN & CO. in connection with the enforcement of same. No promise, representation or warranty, express or implied, not herein set forth, shall bind either party hereto. All promises, understandings or agreements of any kind, pertaining to this proposal, not contained herein, are hereby expressly waived and this instrument shall constitute the entire agreement between the parties hereto. F. P. AUSTIN & CO. shall not be liable for any default or delay caused by any contingency beyond its control.

It is agreed that F. P. AUSTIN & CO. retains title to all of the items referred to herein until such time as all items are paid in full by the purchaser.

No changes in this proposal shall be valid unless accepted in writing by an officer of F. P. AUSTIN & CO.

PROPOSAL NUMBER 1205

ONLY COPY AVAILABLE

CHARGE TO

SHIP TO

SHEET No. 1

D & P

QTY.	PIECE NO.	DESCRIPTION	VENDOR AND BREAKDOWN COST	UNIT COST	TOTAL COST	UNIT SELL	TOTAL
		Conference Room					
1		Important Empire Bronze Eagle on marble base. C. circa 1810.	F.P.A.		$1,800.00		

1040

ONLY COPY AVAILABLE

1941
GOVT EXH 79a--PROPOSAL

F. P. AUSTIN & CO.
ANTIQUES OBJETS D'ART
915 NORTH LA CIENEGA, LOS ANGELES, CALIFORNIA 90069 · OL 7-7950

Voids & Supersedes Prop. #[illegible]

PROPOSAL

July 27, 197[illegible]

Dimension Management
[illegible] 38th Street
New York, New York

WALL TREATMENTS:

Central Staircase

All walls to be covered, on [illegible] floor,
[illegible] 130 yards beige stripe textured fabric. $1,[illegible]

Total Deposit _____ Total Amount Ordered $1,550.[illegible]

This proposal constitutes our agreement to pay for the items referred to herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein.

_____ F. P. AUSTIN & CO.
PURCHASER

DATE _____ BY _____

Time is of the essence of this agreement as to any payments to be made by purchaser as herein provided. In the event of purchaser's failure to make payments under this proposal, purchaser agrees to pay reasonable attorney's fees of F. P. AUSTIN & CO. in connection with the enforcement of same. No promise, representation or warranty, express or implied, not herein set forth, shall bind either party hereto. All promises, understandings or agreements of any kind, pertaining to this proposal, not contained herein, are hereby expressly waived and this instrument shall constitute the entire agreement between the parties hereto. F. P. AUSTIN & CO. shall not be liable for any default or delay caused by any contingency beyond its control.

It is agreed that F. P. AUSTIN & CO. retains title to all of the items referred to herein until such time as all items are paid in full by the purchaser.

No changes in this proposal shall be valid unless accepted in writing by an officer of F. P. AUSTIN & CO.

ONLY COPY AVAILABLE

PROPOSAL NUMBER 1261

1942

F. P. AUSTIN & CO.
ANTIQUES OBJETS D'ART

915 NORTH LA CIENEGA, LOS ANGELES, CALIFORNIA 90069 • OL 7-7950

Voids and Supersedes No. 1014

PROPOSAL

June 26, 1970

Louis [illegible] Dimont
124 East 30th Street
New York, New York

WALL TREATMENTS:

Central Staircase

All walls to be covered, on each floor,
130 yards beige stripe textured fabric. $ 1,690.00

1042

Total Deposit _____ Total Amount Ordered $1,690.00

This proposal constitutes our agreement to pay for the items referred to herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein.

_____ F. P. AUSTIN & CO.
PURCHASER

DATE _____ BY _____

Time is of the essence of this agreement as to any payments to be made by purchaser as herein provided. In the event of purchaser's failure to make payments under this proposal, purchaser agrees to pay reasonable attorney's fees of F. P. AUSTIN & CO. in connection with the enforcement of same. No promise, representation or warranty, express or implied, not herein set forth, shall bind either party hereto. All promises, understanding or agreements of any kind, pertaining to this proposal, not contained herein, are hereby expressly waived and this instrument shall constitute the entire agreement between the parties hereto. F. P. AUSTIN & CO. shall not be liable for any default or delay caused by any contingency beyond its control.

It is agreed that F. P. AUSTIN & CO. retains title to all of the items referred to herein until such time as all items are paid in full by the purchaser.

No changes in this proposal shall be valid unless accepted in writing by an officer of F. P. AUSTIN & CO.

PROPOSAL NUMBER 1204 1014-1

ONLY COPY AVAILABLE

ONLY COPY AVAILABLE

1943

F. P. AUSTIN & CO.
ANTIQUES OBJETS D'ART
915 NORTH LA CIENEGA, LOS ANGELES, CALIFORNIA 90069 • OL 7-7950

PROPOSAL

1081

1082

Total Deposit [illegible]

Total Amount Ordered $2[illegible]

This proposal constitutes our agreement to pay for the items referred to herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein.

PURCHASER

F. P. AUSTIN & CO.

DATE

BY

Time is of the essence of this agreement as to any payments to be made by purchaser as herein provided. In the event of purchaser's failure to payments under this proposal, purchaser agrees to pay reasonable attorney's fees of F. P. AUSTIN & [illegible] action with the enfo

No promise, representation or warranty, express or implied, not herein set forth, shall bind either pa ments of any kind, pert ing to this proposal, not contained herein, are hereby expressly waived and t between the parties hereto. F. P. AUSTIN & CO. shall not be liable for any default or delay ca ed b

It is agreed that F. P. AUSTIN & CO. retains title to all of the items referred to herein until such tim [illegible]

No changes in this proposal shall be valid unless accepted in writing by an officer of F. P. AUSTIN

wall Treatm.

6,022.50
496.00
6,518.50

PROPOSAL NUMBER 1014

CHARGE TO P + P.

SHIP TO

SHEET No.

JOB No.

QTY.	PIECE NO.	DESCRIPTION	VENDOR AND BREAKDOWN COST	UNIT COST	TOTAL COST	UNIT SELL	TOTAL SELL
		2nd Flor					
		Conference Room					
		bath & kitchen					
		to have special	C.H.	6 00 yd.			
Inferno		English Regency	1085 per yds				
30W	24A	border paper around			180 00		
		ceiling.			1220.00		
		3rd Flor					1944
1	(57 yds)	Mr. Ruthoff office					58.05
		all walls to be	1086				1.12
36yds	314/14	covered in dark	C.H.	$16.50 yd	594 00	HHO	2.67
		green cut velvet.					
		Guest office + hall.	1087				
56yds		all walls to be	C.H.				
	10331	covered in dark		$13.00	728 00		
		green suede cloth					
		same green as Mr Ruthoff office					

ONLY COPY AVAILABLE

CHARGE TO

D + P.

SHIP TO

SHEET No.

JOB No.

QTY.	PIECE NO.	DESCRIPTION	VENDOR AND BREAKDOWN COST	UNIT COST	TOTAL COST	UNIT SELL	TOTAL SELL
		3rd. Floor Baths					
14 rolls	302-4	All walls* to be papered + resistant brown + white texture	C. H. Resistant	$10.00 Per Roll	140 —		
					1,462.00		
		4 Floor.					
		Front Room all walls to be covered with vine pattern stripe fabric color oranges + beiges.	1088 C.H.	$13.00	676.00		
		Rear area all wall except head board wall to be covered in bamboo stripe color orange yellow & brown	1089 C H	13. a	1,040.00		

1945

ONLY COPY AVAILABLE

CHARGE TO

SHIP TO

SHEET No.

JOB No.

D + H

QTY.	PIECE NO.	DESCRIPTION	VENDOR AND BREAKDOWN COST	UNIT COST	TOTAL COST	UNIT SELL	TOTAL SELL
		Foyer, 7 Floor					
		Bath + Dressing					
		to be wall papered					
24 Rolls	2904 1	w. orange background + brown Chinese rope design to be resumed +	Resumed M.U.	$10.00 per Roll	240.00	240	00
					240.00		
					85.4		
					326.4		
						1,436.00	

1946

ONLY COPY AVAILABLE

AUSTIN LANE INCORPORATED

GOVT EXH 79b--PROPOSAL 1893 1964 64

GOVT EXH 64--LETTER DATED DECEMBER 9, 1969

PROPOSAL
December 9, 1969

March 6, 1970

Dimension Management
dba Dimension Securities Corp.
17 Battery Place
New York, New York.

Mr. Milton Cohen
President
Richard Packing Co.
790 So. Cleveland Av.
St. Paul, Minn. 55116

Re: Baton Rouge, Louisiana

Dear Milton:

Collection of Bronze Doré Monkeys including

One (1)	Monkey on Shell.	$ 212.00
One (1)	Monkey on Horse.	190.00
One (1)	Monkey on Dog	250.00
One (1)	Monkey with basket	210.00
One (1)	Monkey with Jug.	120.00
One (1)	Monkey with Tiger Eye	110.00
One (1)	Monkey on Tiger Eye with boat	130.00
		$1,462.00

Yesterday, December 8, I met with Jack Cristina and his partner to discuss the Circus Wagon franchise. This is another case where the franchisee has been promised something that we have to deliver, i.e., "Building in thirty days." "Richard Franchise has 25 million dollars." No knowledge of Richard Franchise rental computations by sales force.

Cristina was interested in making several real estate deals; however, because Status Realty could not find a broker to split fee, they turned down the area. Yesterday I approved a location for an improved lease, subject to final rental figures and our form, and tentatively approved possible purchase if the costs can be resolved. Incidentally, I have received a new check in the amount of $36,000 dated December 4, $1,462.00 with the following provision typed on the back of the check: "Subject to consummation of two real estate deals referred to herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein by March 6, 1970."

Total $1,462.00

This proposal constitutes our agreement to sell the items listed herein upon presentation of a statement therefor and further constitutes an authorization to purchase on all the terms and conditions contained herein.

How does Status Marketing assist us in keeping these two deals alive? Where are the signed license agreements mailed from St. Paul on November 24 to Status Marketing? Let's not blow this one.

AUSTIN LANE, INCORPORATED

DATE _____ Very truly yours,

In consideration of the execution of this agreement or of any payments to be made by purchaser as herein provided, in the event of purchaser's failure to make payments as herein provided, purchaser agrees to pay reasonable attorney's fees of Austin Lane, Incorporated in connection with collection thereof. No promise, representation or warranty, express or implied, not herein set forth, shall bind either party hereto. This proposal, upon its execution by both, pertaining to the property not contained herein, are hereby expressly waived and this instrument shall constitute the entire agreement between the parties. AUSTIN LANE, INCORPORATED shall not be liable for any default or delay caused by acts of contingency beyond its control.

Title to all of the items referred to herein shall remain in AUSTIN LANE, INCORPORATED until such time as all items are paid in full by purchaser.

No agent has authority to vary this proposal shall be valid unless accepted in writing by an officer of AUSTIN LANE, INCORPORATED.

J. J. Kally
President

JJK/bc
cc: William Ward
Dean Faris
R. and J. Zavidow

PROPOSAL NUMBER 10120 3/4/70 11/6/70

ONLY COPY AVAILABLE

CLOSING REPORT

Purchase of Premises: 124 East 38th Street, New York, New York

SELLER:	James V. Spadea Jean M. Spadea
PURCHASER:	DH and DF Company, a New York co-partnership consisting of Bernard Deutsch and Stanley DuBoff
CLOSING HELD:	June 9, 1970 at the offices of Borden & Ball, 345 Park Avenue, New York, New York

PRESENT:

BERNARD DEUTSCH	Partner of Purchaser
JAMES V. SPADEA JEAN M. SPADEA	Seller
NANCY WEAVER, of Pease & Elliman, Inc.	Broker
ROBERT H. PHILLIPS	President of Status Marketing Corporation
KIERAN O'DOHERTY, ESQ.	Attorney for Status Marketing Corporation
DeWITT STERN, of DeWitt Stern, Gutmann & Co., Inc.	Insurance Broker
MAX RENDELSTEIN, of The Title Guarantee Company (No. 4107782)	Title Closer
MARTIN D. EILE, ESQ. RICHARD SIEGLER, ESQ., of Stroock & Stroock & Lavan	Attorneys for Seller
WILLIAM RUBIN, ESQ., of Borden & Ball	Attorneys for Purchaser

ONLY COPY AVAILABLE

INDEX

1. Assignment of Contract: Status Marketing Corporation to DH and DF Company

2. Deed: James V. Spadea and Jean M. Spadea to DH and DF Company

3. Title Report (revised to closing)

4. Partnership Documents:

    (a) Business Certificate for Partners

    (b) Partnership Agreement

5. Assignment of Lease: James V. Spadea and Jean M. Spadea to DH and DF Company

6. Assignment of Lease: Status Marketing Corporation to New Dimension Securities Corp.

7. Financial Data:

    (a) New York City Real Property Transfer Tax Return

    (b) Paid title company bill

    (c) Paid Real Estate Tax bill

    (d) Copies of checks delivered at closing

8. Documents re Transfer of Security Deposit:

    (a) Letter: DH and DF Company to Mr. and Mrs. Spadea

    (b) Letter: Mr. and Mrs. Spadea to Status Marketing Corporation

9. Certificate of Occupancy

10. Contract of Sale

ONLY COPY AVAILABLE

ASSIGNMENT OF CONTRACT

KNOW ALL MEN BY THESE PRESENTS that, for value received, STATUS MARKETING CORPORATION, a New York corporation (the "Assignor"), DOES HEREBY ASSIGN, TRANSFER AND SET OVER unto DH AND DF COMPANY, a co-partnership (the "Assignee"), all of the right, title and interest of the Assignor in and to that certain Contract of Sale dated April 13, 1970 entered into by and between JAMES V. SPADEA and JEAN M. SPADEA, as Seller, and ASSIGNOR, as Purchaser, pertaining to premises known as 124 East 38th Street in the City of New York, County of New York, State of New York, which premises are more fully described in said Contract.

TOGETHER WITH:

(1) all of the right, title and interest of the Assignor in and to the sum of Twenty-Seven Thousand Five Hundred Dollars ($27,500) paid to the Seller upon the signing of the aforesaid Contract;

(2) the benefit of, and all of the Assignor's right, title and interest in and to, all the representations, covenants, warranties and indemnifications made by the Seller in said Contract and at any other time made by the Seller during the negotiations leading up to said Contract; and

(3) all rights, claims and causes of action which the Assignor now has or at any time may hereafter have against the Seller or any other party by reason of said Contract and/or any such representation, covenant, warranty or indemnity, or the

ONLY COPY AVAILABLE

breach thereof, and/or for any other reason arising out of the transaction provided for in said Contract.

TO HAVE AND TO HOLD THE SAME unto the Assignee and the successors and assigns of the Assignee forever.

IN WITNESS WHEREOF, the Assignor has executed these presents as of this 9th day of June, 1970.

STATUS MARKETING CORPORATION

By _____
President

ATTEST:

_____
Secretary

CONSULT YOUR L/ **1952** ULD BE USED BY LAWYERS ONLY.

#.)

THIS INDENTURE, made the 1st day of June , nineteen hundred and seventy

BETWEEN JAMES V. SPADEA and JEAN M. SPADEA, being the same persons as the grantees in deed recorded December 3, 1947 in Liber 4543 of Conveyances, at Page 587, residing at R. D. Pipersville, Pennsylvania, (the said real parties)

party of the first part, and DH and DF COMPANY, a co-partnership, having an office at 163 Whitman Drive, Brooklyn, New York 11234

party of the second part,

WITNESSETH, that the party of the first part, in consideration of Ten Dollars and other valuable consideration paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the Southerly side of 38th Street, distant one hundred twenty-four feet ten inches Westerly from the corner formed by the intersection of said Southerly side of 38th Street with the Westerly side of Lexington Avenue; running thence WESTERLY along the Southerly side of 38th Street, fourteen feet eight inches, more or less, to a point opposite centre of a party wall; thence SOUTHERLY parallel with Lexington Avenue, and part of the way through said party wall, eighty feet and nine and one-half inches to the Northerly side of a brick wall; thence EASTERLY along said brick wall, and parallel with 38th Street, fourteen feet eight inches, more or less, to a point distant one hundred twenty-four feet ten inches Westerly from the Westerly side of Lexington Avenue, said distance being measured along a line drawn at right angles to Lexington Avenue; thence NORTHERLY parallel with Lexington Avenue, eighty feet nine and one-half inches to the point or place of BEGINNING.

SAID PREMISES being known as and by the Street No. 124 East 38th Street.

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof; TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises; TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.
AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.
The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

IN PRESENCE OF:

James V. Spadea

Jean M. Spadea

ONLY COPY AVAILABLE

STATE OF NEW YORK, COUNTY OF NEW YORK ss:

On the 7 day of June 1970, before me personally came JAMES V. SPADEA and JEAN M. SPADEA

to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that they executed the same.

MAX BLENDELSTEIN
Notary Public, State of New York
No. 4
Qualified in Richmond County
Certificate filed in New York County
Term Expires March 30, 1972

STATE OF NEW YORK, COUNTY OF ss:

On the day of 19, before me personally came

to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that executed the same.

STATE OF NEW YORK, COUNTY OF ss:

On the day of 19, before me personally came

to me known, who, being by me duly sworn, did depose and say that he resides at No. ;

that he is the of , the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed h name thereto by like order.

STATE OF NEW YORK, COUNTY OF ss:

On the day of 19, before me personally came

the subscribing witness to the foregoing instrument, with whom I am personally acquainted, who, being by me duly sworn, did depose and say that he resides at No. ;

that he knows to be the individual described in and who executed the foregoing instrument; that he, said subscribing witness, was present and saw execute the same; and that he, said witness, at the same time subscribed h name as witness thereto.

Bargain and Sale Deed

WITH COVENANT AGAINST GRANTOR'S ACTS

TITLE NO

JAMES V. SPADEA and
JEAN M. SPADEA,

TO

DH and DF COMPANY

SECTION 3
BLOCK 893
LOT 77
COUNTY OR TOWN NEW YORK

Recorded At Request of The Title Guarantee Company
RETURN BY MAIL TO:

Zip No.

STANDARD FORM OF NEW YORK BOARD OF TITLE UNDERWRITERS
Distributed by
THE TITLE GUARANTEE COMPANY
CHARTERED 1883 IN NEW YORK

ONLY COPY AVAILABLE

ONLY COPY AVAILABLE 1954

CERTIFICATE OF TITLE

THE TITLE GUARANTEE COMPANY
(A NEW YORK CORPORATION)

#3

and

PIONEER NATIONAL TITLE INSURANCE COMPANY
(A CALIFORNIA CORPORATION) TOGETHER HEREIN CALLED "THE COMPANY"

No. 4107782

Certifies to Borden & Ball, Esqs.
345 Park Avenue
New York, New York 10022.

that an examination of title to the premises described in Schedule A has been made in accordance with its usual procedure and agrees to issue its standard form of insurance policy in the amount of $ 275,000. insuring FEE and the marketability thereof, after the closing of the transaction in conformance with procedures approved by the Company excepting (a) all loss or damage by reason of the estates, interests, defects, objections, liens, incumbrances and other matters set forth herein that are not disposed of to the satisfaction of the Company prior to such closing or issuance of the policy (b) any question or objection coming to the attention of the Company before the date of closing, or if there be no closing, before the issuance of said policy.

This Certificate shall be null and void (1) if the fees therefor are not paid (2) if the prospective insured, his attorney or agent makes any untrue statement with respect to any material fact or suppresses or fails to disclose any material fact or if any untrue answers are given to material inquiries by or on behalf of the Company (3) upon delivery of the policy. Any claim arising by reason of the issuance hereof shall be restricted to the terms and conditions of the standard form of insurance policy. If title, interest or lien to be insured was acquired by the prospective insured prior to delivery hereof, the Company assumes no liability except under its policy when issued.

THIS CERTIFICATE IS INTENDED FOR LAWYERS ONLY. SUCH EXCEPTIONS AS MAY BE SET FORTH HEREIN MAY AFFECT MARKETABILITY OF TITLE. YOUR LAWYER SHOULD BE CONSULTED BEFORE TAKING ANY ACTION BASED UPON THE CONTENTS HEREOF. THE COMPANY'S REPRESENTATIVE AT THE CLOSING HEREUNDER MAY NOT ACT AS LEGAL ADVISOR TO ANY OF THE PARTIES OR DRAW LEGAL INSTRUMENTS FOR THEM. SUCH REPRESENTATIVE IS PERMITTED TO BE OF ASSISTANCE ONLY TO AN ATTORNEY. IT IS ADVISABLE TO HAVE YOUR ATTORNEY PRESENT AT THE CLOSING.

Dated 9 A.M. 5/4/70

Redated ~~9 A.M.~~ 6/4/70 A

Premises in Section 3 Block 893
on land map of County of New York

DANIEL S. CHORNE
ESQ.
BROADWAY
K, N Y 10005
Will be pleased to confer on any questions concerning this certificate

THE TITLE GUARANTEE COMPANY
and
PIONEER NATIONAL TITLE INSURANCE COMPANY

AUTHORIZED SIGNATURE

MEMBERS NEW YORK BOARD OF TITLE UNDERWRITERS

See Over Page for General Exceptions from Coverage

702 * 8-59-15M THE TITLE GUARANTEE COMPANY and PIONEER NATIONAL TITLE INSURANCE COMPANY

1955

Title No. 4107782

THIS COMPANY CERTIFIES that a good and marketable title to the premises described in Schedule A, subject to the liens, incumbrances and other matters, if any, set forth in this certificate may be conveyed by:

JAMES V. SPADEA and JEAN M. SPADEA, his wife

Source of title by deed from Della S. Bugbee, sole beneficiary under the Last Will and Testament of Henry Greenwood Bugbee, deceased, dated 11/28/47 recorded 12/3/47 in Liber 4543 Cp. 587

Inspection discloses

Disposition

We set forth the additional matters which will appear in our policy as exceptions from coverage, unless disposed of to our satisfaction prior to the closing or delivery of the policy.

1. Taxes, tax liens, tax sales, water rates, sewer rents and assessments set forth herein.
2. Mortgages returned herewith and set forth herein. (None) INSERT NUMBER
3. Any state of facts which an accurate survey might show. Pending receipt of redate survey
4. Survey exceptions set forth herein.
5. Affidavit of Title will be required on closing.
6. Compliance with the Federal "Truth in Lending Act".

There are no restrictive covenants, conditions or easements of record unless set forth immediately following.

Restrictive covenents in Liber 485 Cp. 593; Liber 485 Cp 594; Liber 341 Cp. 307 and ~~XXXXX~~ repeated in Liber 557 Cp. 33.

Continued

ONLY COPY AVAILABLE

The closing requirements set forth on the following page are a part of this certificate and must be complied with.

A duplicate copy of the exceptions is furnished you with the thought you may wish to transmit, with or without any of the other exceptions in the title report, to the attorney for the owner of the property and thereby facilitate the clearing of the objections prior to closing.

1956

Title No. 4107782

Additional Exceptions

C. Rights of tenants.

D. Proof required that Jean M. Spadea also known as Jeanne M. Spadea has not been known by any other married or maiden names within the past ten years, otherwise such other names must be revealed to the Company and the office searches amended to cover.

E. Charges for maintenance of street vaults, if any.

F. Satisfactory proof required that James V. Spadea and Jean M. Spadea the present certified owners are the same persons as the grantees in deed recorded 12/3/1947 in L 4543 Cp. 587.
(a recital in closing deed will be sufficient proof.)

G. The name of the proposed insured was not disclosed to this Company, if a corporation its certificate to be filed in Albany and considered.

H. Any state of facts a personal inspection might disclose.
(pending receipt of inspection)

I VARIATIONS BETWEEN TAX LOT and LINES OF RECORD TITLE

ONLY COPY AVAILABLE

Title No. 4107782

SCHEDULE A

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the Southerly side of 38th Street distant one hundred twenty-four feet ten inches Westerly from the corner formed by the intersection of said Southerly side of 38th Street with the Westerly side of Lexington Avenue;
running thence WESTERLY along the Southerly side of 38th Street, fourteen feet eight inches, more or less, to a point opposite centre of a party wall;
thence SOUTHERLY parallel with Lexington Avenue, and part of the way through said party wall, eighty feet and nine and one-half inches to the Northerly side of a brick wall;
thence EASTERLY along said brick wall, and parallel with 38th Street, fourteen feet eight inches, more or less, to a point distant one hundred twenty-four feet ten inches Westerly from the Westerly side of Lexington Avenue, said distance being measured along a line drawn at right angles to Lexington Avenue;
thence NORTHERLY parallel with Lexington Avenue, eighty feet nine and one-half inches to the point or place of BEGINNING.

Add in conveyancing but omit from Policy:

SAID PREMISES being known as and by the Street No. 124 East 38th Street.

ONLY COPY AVAILABLE

For Conveyancing Only
Together with all right, title and interest of, in and to any streets and roads abutting the above described premises.

Our policies of title insurance include such buildings and improvements thereon which by law constitute real property.

1958

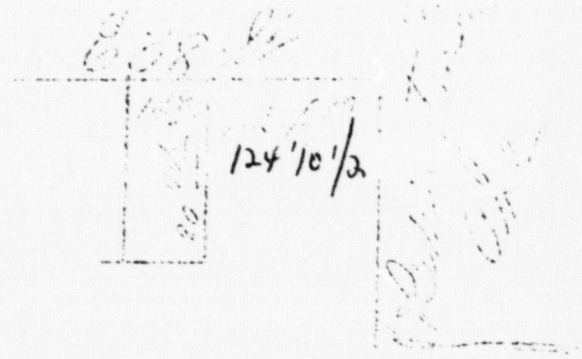
Title No.

The unpaid taxes, water rates, assessments and other matters relating to taxes which are liens at the date of this certificate are set forth below.

Our policy does not insure against such items which have not become a lien up to the date of the policy or installments due after the date of the policy. Neither our tax search nor our policy covers any part of streets on which the premises to be insured abut.

If the tax lots above mentioned cover more or less than the premises under examination, this fact will be noted herein.

In such case, the interested parties should take the necessary steps to make the tax map conform to the description to be insured.



FIGURES IN RED ARE AS THEY APPEAR ON OFFICIAL TAX MAPS

For information only, we set forth the assessed valuation for the current year: 1970-71

Section 3 Block 893 Lot 77 Land 44,000

Total 78,000

Disposition Returns

TAXES
1969-70 4th quarter 1080.30

WATER
1970 177.00 Paid

Sewer Rent 59.00 Paid

METER
#7806 fr; 4/8/69 to 8/15/69 107.70 Paid

5/15/64 to 3/17/70 Sewer Rent 35.90 Paid

ADDITIONAL AMOUNT TO BE CHARGED WHEN METER READ AGAIN

No other found- May 22, 1970 NES

ONLY COPY AVAILABLE

Recent payments of any open items returned on this tax search may not yet be reflected on the public records. *Therefore please request the seller or borrower to have the receipted bills available at the closing.*

B 74 - Certificate of Conducting Business as Partners. Individual Corporation.

Julius Blumberg, Inc. 80 Exchange Place, New York

1959

Business Certificate for Partners #4A

The undersigned do hereby certify that they are conducting or transacting business as members of a partnership under the name or designation of DII AND DF COMPANY

at 163 Whitman Drive, Brooklyn
in the County of Kings *, State of New York, and do further certify that the full names of all the persons conducting or transacting such partnership including the full names of all the partners with the residence address of each such person, and the age of any who may be infants, are as follows:*

NAME Specify which are infants and state ages.	*RESIDENCE*
Bernard Deutsch	163 Whitman Drive, Brooklyn, New York
Stanley DuBoff	2418 Brigham Street, Brooklyn, New York

[redacted]

[redacted]

In Witness Whereof, *We have this* 9th *day of* June *19* 70 *made and signed this certificate.*

Bernard Deutsch

Stanley DuBoff

State of New York, County of New York } ss.:

INDIVIDUAL ACKNOWLEDGMENT

On this 9th *day of* June *19* 70 *, before me personally appeared* BERNARD DEUTSCH and STANLEY DUBOFF

to me known and known to me to be the individuals described in, and who executed the foregoing certificate, and they thereupon duly acknowledged to me that they executed the same.

WILLIAM RUBIN
NOTARY PUBLIC, State of New York
No. 60-3390720 - Qual. in West. Co.
Certificate filed in New York County
Commission Expires March 30, 1971

Notary Public.

ONLY COPY AVAILABLE

1960

State of New York, County of ss.: CORPORATE ACKNOWLEDGMENT

On this day of 19 , before me personally appeared

to me known, who being by me duly sworn, did depose and say, that he resides in

that he is the of

the corporation described in and which executed the foregoing certificate; that he knows the seal of said corporation; that the seal affixed to said certificate is such corporate seal; that it was so affixed by order of the Board of of said corporation, and that he signed h name thereto by like order.

INDEX No.

Certificate of Partnership

BERNARD DEUTSCH
and
STANLEY DUBOFF

CONDUCTING BUSINESS UNDER
THE NAME OF

DH AND DF COMPANY

Borden & Ball, Esqs.
345 Park Avenue
New York, New York 10022

State of New York, County of ss.: INDIVIDUAL ACKNOWLEDGMENT

On this day of 19 , before me personally appeared

to me known and known to me to be the individual described in, and who executed the foregoing certificate, and he thereupon duly acknowledged to me that he executed the same.

ONLY COPY AVAILABLE

Y 13

PARTNERSHIP AGREEMENT

AGREEMENT made this 4th day of June, 1970 among BERNARD DEUTSCH, residing at 163 Whitman Drive, Brooklyn, New York, and STANLEY DuBOFF, residing at 2418 Brigham Street, Brooklyn, New York, 11235;

W I T N E S S E T H :

1. Name and Business - The parties do hereby form a partnership under the name of DH AND DF COMPANY to engage in the business of owning and operating the premises known as 124 East 38th Street, New York City, N.Y., and in such other business as the parties may agree upon.

2. Term - The term of the partnership shall begin on June 9, 1970 and shall continue until June 30, 1975, and thereafter from year to year unless terminated as hereinafter provided.

3. Office - The principal office of the partnership shall be located at 163 Whitman Drive, Brooklyn, New York, or at such other place as the parties hereto may agree upon from time to time.

4. Capital Contributions - The partners shall contribute in cash to the capital of the partnership the amounts equal to the percentages set opposite their names:

Bernard Deutsch	50%
Stanley DuBoff	50%

The capital shall be the total cash required to acquire title to the above premises.

5. Profit and Loss - The net profits of the partnership shall be divided among and the net losses of the partnership shall be borne by the partners in the proportions set opposite their names:

Bernard Deutsch	50%
Stanley DuBoff	50%

6. Salaries and Drawings - No partner shall receive any salary for services rendered to the partnership in his capacity as a partner. The partners shall have such drawing accounts as may be agreed upon by them.

7. Interest - No interest shall be paid on the initial contributions to the capital of the partnership or on any subsequent contributions of capital.

8. Management, Duties and Restrictions - The partners shall have equal rights in the management of the partnership business, and shall devote as much of their time to the conduct of the business as becomes necessary for its successful operation. Each partner acting alone (and without the consent of the other partner) shall have the right, power and authority, on behalf of the partnership, to borrow or lend money, or make, deliver or accept any commercial paper, or execute any mortgage, bond or lease, or purchase or contract to purchase, or sell, or contract to sell, any property for or of the partnership. No partner shall, except with the consent of the other partner,

assign, mortgage, or sell his share in the partnership or in its capital assets or property, or enter into any agreement as the result of which any person shall become interested with him in the partnership, or do any act detrimental to the best interests of the partnership or which would make it impossible to carry on the ordinary business of the partnership.

9. Banking - All funds of the partnership shall be deposited in the partnership's name in such checking account or accounts as shall be designated by the partners, and all withdrawals therefrom are to be made upon checks signed by any one of the partners.

10. Execution of Documents - Any deed, mortgage, lease of the entire premises or any portion thereof or other commitment purporting to encumber or convey the interest of the partnership in the real property held in the name of said partnership shall be signed by any one of the partners. No other signature (or signatures) shall be required. No person, firm or corporation shall be under any duty to inquire into the authority of either partner to execute any document pursuant to this paragraph.

11. Books - The partnership books shall be maintained at the principal office of the partnership or at such other place as the partners may agree, and each partner shall at all times have access thereto.

12. Death - Upon the death of either partner, the partnership shall not terminate, but the partnership business

shall be continued until the end of the calendar year in which such death occurred, as a partnership among the surviving partner and the estate of the deceased partner. During such period, the estate of the deceased partner shall be entitled to the same percentage of the partnership net profit and shall bear the same percentage of any partnership net loss as was previously allocated to the decedent under this agreement, while alive. The estate of the deceased partner, however, shall have no rights in the management of the partnership's business and shall have no voice on questions of firm policy. At the close of the calendar year in which the death of a partner occurs, the surviving partner shall have the right either (a) to purchase the interest of the decedent in the partnership, or (b) to admit as a partner, in the place and stead of the deceased partner, the estate of the deceased partner, or the person or persons who is or are entitled to the decedent's interest in the partnership and in the partnership capital and assets, under the decedent's Last Will and Testament, or (c) to terminate and liquidate the partnership business.

13. Purchase by Surviving Partners - In the event the surviving partner elects to purchase the interest of the decedent in the partnership, then the purchase price for same shall be equal to the fair market value of the decedent's interest in the partnership at the end of the calendar year in which said death occurs. The fair market value of the decedent's interest in the partnership shall be determined by agreement between the estate or personal representative of the decedent and the surviving partner. In the event that they fail to

agree upon the value of the aforesaid interest, said value shall be determined by arbitration pursuant to paragraph "16" hereof. In determining the fair market value of the decedent's interest in the partnership, no value shall be ascribed to good will or other intangible assets, except as they may be shown on the books of the partnership.

14. Payment of Purchase Price - The purchase price paid for the decedent's partnership interest shall be paid with interest at the rate of six (6%) percent per annum, in four (4) quarter-annual installments, beginning three (3) months after the end of such calendar year. Title to the partnership interest of the decedent shall vest in the purchaser immediately upon the election of the surviving partner to purchase said interest. The purchaser shall have the right to prepay such purchase price in whole or in part, at any time, without penalty.

15. Admission of Decedent's Successor - In the event that the surviving partner elects to admit as a partner the estate of the deceased partner, or the person or persons who would be entitled to the decedent's interest in the partnership and in the partnership capital and assets, pursuant to the decedent's Last Will and Testament, said estate or person or persons may consent to become a party or parties to this agreement by signing a statement to that effect which shall be delivered to the surviving partner within ninety (90) days after the end of the calendar year in which the death of the deceased partner occurs, and thereupon said estate or person or persons shall become a party or parties to this agreement in

place and stead of the deceased partner to the same extent as if said person or persons were originally named a party or parties hereto; and in such event, the other partner shall have full and sole rights of management of the partnership's business, and shall have full and sole voice on questions of firm policy, and said new partner shall have no rights in the management of the partnership's business and shall have no voice on questions of firm policy.

16. Arbitration - Any controversy or claim arising out of or relating to the partnership herein created, this agreement, or the breach thereof, shall be settled by arbitration. Such arbitration shall be conducted by three arbitrators, one appointed by the partner initiating the arbitration, one appointed by the other partner, and one appointed by the two previously chosen arbitrators. Judgment upon the award rendered by a majority of the arbitrators may be entered in any court having jurisdiction thereof. The costs of the foregoing arbitration shall be borne by the partners equally.

17. Notices - Any notice required under this agreement shall be deemed given if mailed by registered or certified mail to the partners at the addresses given in this agreement or such other address as the partnership may be notified of in writing at its office.

18. Binding Effect - This agreement shall be binding upon the parties hereto, their estates and personal representatives, and shall not be modified except in writing signed by all of the parties hereto.

IN WITNESS WHEREOF, the parties have signed and sealed this agreement the day and year first above mentioned.

Bernard Deutsch

S/ Stanley DuBoff

Stanley DuBoff

ONLY COPY AVAILABLE

AGREEMENT Dated February 15, 1847.
Rec'd March 2, 1847.
Lib. 489 of Conveyances
Page 393.

"WHEREAS the several parties hereto are owners in fee simple of divers lots and parcels of ground situate at Murray Hill in the Eighteenth Ward of the City of New York, lying on each side of Thirty-fifth, Thirty-sixth and Thirty-seventh Streets, and on the south side of Thirty-eight Street, between Madison and Lexington Avenues, and on the Fourth Avenue, and whereas the said several parties hereto have mutually covenanted and agreed to recede such lots so far as they front on such streets in manner following, to wit:

NOW KNOW YE that the several parties hereto, each in consideration of the covenant and agreement on the part of the others herein contained and of the sum of One Dollar to each in hand paid by the others, the receipt of which is hereby acknowledged, HAVE COVENANTED bargained and agreed and by those presents do severally covenant and agree each with the others and with each of the others and each for himself, his heirs and assigns with the others and their heirs and assigns and with each of the others his heirs and assigns, that the land comprised between the line of such streets respectively as now established and on a line running parallel to such line northerly or southerly therefrom as such lots lie on the northerly or southerly side of such street; and of the depth of five feet shall forever, hereafter be and remain open spaces or courts and shall not at anytime hereafter be appropriated for, used and occupied by any edifice, building or wall nor be in any way built upon or obstructed except by necessary steps for entrances, platforms and pedestals and picket or iron fences or railings connected therewith, and enclosing the same and the foundations and copings upon which steps and fences or railings may be placed, it being, however, expressly understood that this covenant does not extend to lots fronting on such several avenues before mentioned, the lots covered or affected by this covenant will more fully appear from the diagram hereto annexed. And it is expressly agreed and understood by and between the parties hereto that in case of any violations of this covenant by said parties, his, her or their heirs or assigns a bill may be filed by any one or more of the other parties hereto, their heirs or assigns, to obtain a perpetual injunction against the same."

ONLY COPY AVAILABLE

MURRAY HILL COVENANTS.

: AGREEMENT
: Dated February 22, 1847
: Rec'd March 2, 1847
: Liber 485 of Conveyances
: Page 594

"WHEREAS the several parties hereto are owners in fee simple of divers lots and parcels of ground situate, in the Eighteenth Ward of the City of New York, lying on each side of Thirty-fourth, Thirty-fifth, Thirty-sixth and Thirty-seventh Streets, and on the southerly side of Thirty-eighth Street, lying between Madison Avenue on the westerly side and Lexington Avenue on the easterly side and also on the said Madison Avenue, Lexington Avenue and Fourth Avenue, as the same are particularly laid down on a Map in the office of the Register in and for the City and County of New York, entitled, Map of the Murray Hill Estate made by Joseph F. Bridges, City Surveyor, February 25, 1839.

NOW KNOW YE, that the said several parties hereto each of them in consideration of the covenant and agreement on the part of the others herein contained and of the sum of One Dollar to each in hand paid by the others the receipt whereof is hereby acknowledged, have covenanted, bargained and agreed and each of them by these presents doth covenant, bargain and agree with the others and with each of the others and each for himself, his heirs and assigns, with the others and their heirs and assigns, and with each of the others, his heirs and assigns, that neither of them nor his heirs or assigns shall or will at any time hereafter erect or cause to be erected upon any of the lots owned by them respectively or any part of the same any building or erection other than brick or stone dwelling houses of at least two stories in height with the ordinary yard appurtenances to dwelling houses and except churches and stables of brick or stone for private dwellings and further that they will not hereafter erect or permit upon such lots or any part of the same, any livery stable, slaughter house, smith shop, forge, furnace, steam engine, brass foundry, nail or other iron factory or any manufactory of gun powder, glue, varnish, vitriol, ink, turpentine or for tanning, dressing or preparing skins, hides, or leather or any brewery, distillery, museum, theatre, circus, place for the exhibition of wild animals or any other erection known as nuisances in the law, and it is further agreed and covenanted that the above covenants shall be deemed and taken to be covenants running with the land. And that in case of any violation or attempted violation

ONLY COPY AVAILABLE

of the covenants herein contained by any of the parties hereto, his, her or their heirs, executors or assigns, a bill may be filed by any one or more of the other parties hereto, their or his heirs, executors, or assigns, to obtain a perpetual injunction against the same."

RM

ONLY COPY AVAILABLE

COVENANTS IN LIBER 341 CP. 307 and repeated in Liber 557 Cp. 33.

Susan Ogden (widow)
Mary Murray,
Hannah L. Murray

-and-

William F. Otis

Dated July 1, 1835.

Rec'd Sept. 19, 1835.

Liber 341, Cp. 307.

Party of the second part for himself, his heirs and assigns doth hereby covenant to and with the said parties of the first part, their heirs, executors, administrators that neither said party of the second part nor his heirs or assigns shall or will at any time hereafter erect any buildings within forty feet of the front of said lots except of brick, stone with roofs of slate or metal and will not erect or permit upon any part of said lots any slaughter house, smith shop, forge, furnace, steam engine, brass foundry, nail or other iron factory or any manufactory of gun powder, glue, varnish, vitriol, ink or turpentine or for the tanning, dressing or preparing skins, hides or leather or any brewery, distillery, or any other noxious or dangerous trade or business.

MJ

ONLY COPY AVAILABLE

1972

15

FIRE DEPARTMENT OF THE CITY OF NEW YORK

DIVISION OF FIRE PREVENTION
ROOM 1014, MUNICIPAL BUILDING
BROOKLYN, N.Y. 11201

RECORD SEARCH REQUEST

MAIL TO:

THE TITLE GUARANTEE COMPANY
120 BROADWAY
NEW YORK, N. Y. 10005

CHECKED BY:

SEARCH NO. 70225

H107782

The undersigned requests the following information re: Premises

124 E 38 St Manhattan
ADDRESS BOROUGH

☑ 1. Record of existing Fire Department Violations FEE: $5.00

☐ 2. Record of Permit for FEE: $5.00

☐ 3. Other FEE: $5.00

TOTAL FEE: $5.00

State applicants interest in or relation to premises:

TITLE INSURER

(THE CITY OF NEW YORK IS NOT BEING SUED, NOR IS THERE ANY INTENTION TO SUE THE CITY OF NEW YORK)

Signed THE TITLE GUARANTEE COMPANY

Date MAY 12 1970

DO NOT WRITE BELOW THIS LINE

Gentlemen:

In reply to your request concerning the premises mentioned above, please be advised that as of 9 A.M., MAY 18 1970 our records show the following:

NO VIOLATIONS

SEARCHED BY: D.

Chief, In Charge
Division of Fire Prevention

VIOLATIONS RECORDED ABOVE ARE ONLY THOSE WHICH ARE A MATTER OF RECORD IN HEADQUARTERS OF THE DIVISION OF FIRE PREVENTION, AND MAY NOT INCLUDE VIOLATIONS ISSUED BY LOCAL UNITS.

ONLY COPY AVAILABLE

Form SR-1-4RM 801231(68) 346
(Rev. 7/68)

1973

MANHATTAN
MUNICIPAL BUILDING
NEW YORK, N. Y., 10007
BRONX
1932 ARTHUR AVENUE
BRONX, N. Y., 10457
BROOKLYN
MUNICIPAL BUILDING
BROOKLYN, N. Y., 11201
QUEENS
120-55 QUEENS BLVD.
KEW GARDENS, N. Y., 11424
RICHMOND
BOROUGH HALL
ST. GEORGE, N. Y., 10301

THE CITY OF NEW YORK
HOUSING AND DEVELOPMENT ADMINISTRATION
DEPARTMENT OF RENT AND HOUSING MAINTENANCE

Date: 5/13/70

THE TITLE GUARANTEE COMPANY
120 BROADWAY, NEW YORK, N. Y. 10005

Date Requested: 5/12/70

Your Reference: Title # 4107782

Our Reference : Search Clerk Gladys B. Hanson

REPORT OF SEARCH

Premises 124 E 38th St. Search #

A search of the records of this department reveals that the following violations are pending. Copies of the violations, if any, are enclosed. DATE OF SEARCH INDICATES LAST DATE OF POSTING

Building Department, Violation Numbers: Date of Search 5-13-70

U2743 - 69E

Rent and Housing Maintenance Dept., Violation Item Numbers: Date of Search 5/14/70

None

EMERGENCY REPAIR MONEY
DUE ON THIS BUILDING

DATE	AMT.

Classification (if requested) Commercial Bldg.

Occupancy

Other City Agencies (on Multiple Dwellings only): Date of Search 5/14/70

None

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

Departmental Violations and Classification:

Nature of Report: The above information is based solely on the records of the department on the [illegible] tion of the premises was involved in this search. There may be violations or changes in classificatio[illegible] of [illegible] is department has no knowledge and therefore do not appear in the record. Such violations or changes [illegible] occupancy can be determined by a properly authorized search inspection upon payment of the prescribed fee.

Construction in Progress: Furthermore, this search does not include information regarding an[illegible] in classification or occupancy which may be involved in connection with any alteration or other application w[illegible] this department and which has not been fully completed.

Other City Agency Violations or Other Corrective Orders (on Multiple Dwellings only):

Information is received from the Fire Department, Department of Health, Department of Air Pollu[illegible] Control and the Department of Water Supply, Gas & Electricity. This may not represent all outstanding violations or other cor[illegible]ve orders on our date of search since other agencies may take 72 hours in reporting and the additional time spent in receiving and recording in this departm[illegible]t must also be considered.

Frank L. Sanson
CHIEF INSPECTOR

By: Gladys B. Hanson

ONLY COPY AVAILABLE

1074

THE CITY OF NEW YORK
DEPARTMENT OF BUILDINGS

MANHATTAN
MUNICIPAL BUILDING
NEW YORK, N. Y. 10007

BRONX
1932 ARTHUR AVENUE
BRONX, N. Y. 10457

BROOKLYN
MUNICIPAL BUILDING
BROOKLYN, N. Y. 11201

QUEENS
120-55 QUEENS BLVD.
KEW GARDENS, N. Y. 11424

RICHMOND
BOROUGH HALL
ST. GEORGE, N. Y. 10301

June 9, 1969

James V. Spaden (O)
122 East 38th Street
New York, N. Y.

You are hereby notified that there exists a violation of law in the subject premises as described below.

You are hereby directed to remove this violation forthwith, pursuant to Section C26-206.0, subd. d and/or Section 643a-9.0 of Chapter 26, of the Administrative Code.

All inquiries and reference to this violation should be directed to the Violation Section in the respective borough.

Ph # 566.2484

Isadore M. Cohen
BOROUGH SUPERINTENDENT

JOHN T. O'NEILL
COMMISSIONER

VIOLATION NO.	LOCATION	BORO.	DIST.	BLOCK	LOT	DATE FILED
2243/69	124 East 38th St.	Man.	26	893	77	3.25.69

NO. OF STORIES	CONSTRUCTION	OCCUPIED AT TIME OF INSPECTION AS
4	cl- 2	com'l building

Section C26-105.0 of the Sec 900- 1000 of RS 18.1 Administrative Code violated.
Condition reported:

The following is necessary on Passenger Elevator # 21256:

Have car's safeties tested in the presence of an Inspector from this department.
Install approved type clamping device or reshackle hoist cables at car end, all cables to be properly tagged and dated.
Adjust floor stops to level properly at all landings.

Remedy: Comply with above order, forthwith.

El: D R Harrigan/ ic

Bribery is a Crime: A person who gives or offers a bribe to any employee of the City of New York, or an employee who takes or solicits a bribe, is guilty of a felony punishable by imprisonment for ten years or by a fine of $4,000, or more, or both. Penal Law, Section 378 and 1826.

ONLY COPY AVAILABLE

ASSIGNMENT OF LEASE

KNOW ALL MEN BY THESE PRESENTS that, for value received, JAMES V. SPADEA and JEAN M. SPADEA (collectively the "Assignor"), DO HEREBY ASSIGN, TRANSFER AND SET OVER unto DH AND DF COMPANY, a co-partnership ("Assignee"), that certain lease dated September 24, 1968 between Assignor, as Landlord, and Status Marketing Corporation, as Tenant, covering premises known as and by street address 124 East 38th Street, New York, New York.

TOGETHER WITH:

(1) The security deposit in the sum of $10,000 made by the Tenant pursuant to Paragraph 31 of said lease; and

(2) The right to collect and receive all rents and profits under said lease.

TO HAVE AND TO HOLD the same unto the Assignor, its successors and assigns from and after the date hereof to the remainder of the term of said lease and any renewal options therein contained.

AND THE ASSIGNOR does hereby covenant and represent that said lease is in full force and effect, that there is no default thereunder and that the rent has been paid thereunder through June 30, 1970.

THIS ASSIGNMENT is made in connection with the sale and conveyance of said premises by Assignor to Assignee simultaneously herewith.

IN WITNESS WHEREOF, the Assignor has executed these presents this 9th day of June, 1970.

JAMES V. SPADEA

JEAN M. SPADEA

ONLY COPY AVAILABLE

ASSIGNMENT OF LEASE

KNOW ALL MEN BY THESE PRESENTS THAT, for value received, STATUS MARKETING CORPORATION, a New York corporation having an office at 124 East 38th Street, New York, New York ("Assignor") DOES HEREBY ASSIGN, TRANSFER AND SET OVER unto NEW DIMENSION SECURITIES CORP., a New York corporation having an office at 17 Battery Place, New York, New York ("Assignee"), all of the Assignor's right, title and interest as tenant under that certain lease dated September 24, 1968 between James V. Spadea and Jean M. Spadea, as landlord, and Assignor, as tenant, covering the entire building known as and by street address 124 East 38th Street, New York, New York, the landlord's interest therein having this day been acquired by DH and DF Company.

TOGETHER WITH all of Assignor's right, title and interest in and to:

(1) the security deposit in the sum of $10,000 made thereunder and all accrued interest thereon; and

(2) any fixtures, equipment or other property attached to or located in the demised premises and any appurtenances to said leasehold estate whatsoever thereunto belonging or in any wise appertaining.

TO HAVE AND TO HOLD the same unto the Assignee, its successors and assigns for the rest, residue and remainder of the term of years mentioned in said lease, subject only to the rents, covenants and provisions set forth therein.

1978

AND THE ASSIGNOR REPRESENTS that it is the owner of said lease and has full right and power to transfer and assign the same, that said lease is in full force and effect, that all rent due and owing thereunder through June 30, 1970 has been paid, that there is no default on the part of the landlord or tenant under said lease and that the option to purchase the demised premises contained therein has been duly exercised.

AND THE ASSIGNEE hereby accepts the within assignment and assumes the covenants, agreements and conditions to be kept or performed on the part of Assignor under said lease from and after the date hereof to the end of the term of said lease and any renewal or extension thereof.

IN WITNESS WHEREOF, the parties hereto have executed these presents this 9th day of June, 1970.

Assignor:

STATUS MARKETING CORPORATION

By _____
President

Assignee:

NEW DIMENSION SECURITIES CORP.

By _____

1979

STATE OF New York)
) SS.:
COUNTY OF New York)

On the 9th day of June 1970, before me personally came Robert H. Mellon, to me known, who, being by me duly sworn, did depose and say that he resides at No. 4 Thayer Road, Tarrytown, N.Y. that he is the President of STATUS MARKETING CORPORATION, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

William Rubin
Notary Public

WILLIAM RUBIN
NOTARY PUBLIC, State of New York
No. 60-3390720 - Qual. in West. Co.
Certificate filed in New York County
Commission Expires March 30, 1971

STATE OF New York)
) SS.:
COUNTY OF New York)

On the 12 day of June 1970, before me personally came Stanley Ryback to me known, who, being by me duly sworn, did depose and say that he resides at No. 2429 Dahlgren St, Brooklyn, N.Y. that he is the President of NEW DIMENSION SECURITIES CORP., the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

Grace F. Tenore
Notary Public

GRACE F. TENORE
NOTARY PUBLIC, STATE OF N. Y.
NO. 31-0[illegible]200
QUALIFIED IN KINGS CO.
CERT. FILED IN NEW YO[illegible]
COMM. EXPIRES MA[illegible]

ONLY COPY AVAILABLE

1980

Landlord's Consent

The undersigned does hereby consent to the foregoing Assignment of Lease covering premises known as and by street address 124 East 38th Street, New York, New York by Status Marketing Corporation to New Dimension Securities Corp.

DH AND DF COMPANY

By _____
Bernard Deutsch, Partner

Dated: June 9, 1970

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

On this 9th day of June, 1970, before me personally came BERNARD DEUTSCH, to me known as a Partner of DH AND DF COMPANY, named as Landlord in the within Lease, and described in, and who executed the foregoing instrument, and he duly acknowledged to me that he executed the same as the act and deed of said partnership.

_____
Notary Public.

WILLIAM RUBIN
NOTARY PUBLIC, State of New York
No. 60-3390720 - Qual. in West. Co.
Certificate filed in New York County
Commission Expires March 30, 1971

Form R.P.T. [illegible] 346

ONLY COPY AVAILABLE

DUPLICATE

THIS SPACE FOR USE BY REGISTER

THE CITY OF NEW YORK
FINANCE ADMINISTRATION

REAL PROPERTY TRANSFER TAX RETURN
(Pursuant to Chapter 46, Title H of the Administrative Code)

1981

IMPORTANT

Penalty of 5% of the tax due for the first month of delay plus interest at the rate of 1% of such tax for each additional month of delay must be added if payment is not made on or before due date.

(Grantor) JAMES V. SPADEA and JEAN M. SPADEA
Name

R.D., Pipersville, Pa.
Address

(Grantee) DH and DF COMPANY

163 Whitman Drive
Name

Brooklyn, New York 11234
Address

LOCATION OF PROPERTY TRANSFERRED

Address .....

Tax Map—County N.Y. Sec. 3 Block 893 Lot 77

Land Map—County ..... Sec. ..... Block .....

Date of Delivery of Deed to Grantee June 19 70

COMPUTATION OF TAX

NOTE: If Item 1 is $25,000 or less, Items 2 to 4 inclusive need not be filled in. In such case, enter zero in Items 5 and 7. If exemption is claimed, attach signed statement showing grounds for exemption.

Item No.		
1.	Consideration paid or required to be paid without deductions	$ 275,000.00
2.	Deduct—Mortgages or other liens or encumbrances which existed on the real property before delivery of the deed and remained thereon after delivery. (Item 8, Schedule A, Page 2)	0
3.	Net consideration subject to tax	275,000.00
4.	Allocated net consideration subject to tax (Item 14, Schedule B, Page 2)	0
5.	Tax due—½ of 1% of Item 3 or 4, whichever is applicable	1,375.00
6.	Add—Penalty and interest	0
7.	Total tax, penalty and interest due	$ 1,375.00

AFFIDAVIT BY GRANTOR

I swear (or affirm) that this return including the accompanying schedules or statements, has been examined by me, and is, to the best of my knowledge and belief, a true and complete return, made in good faith, pursuant to Chapter 46, Title H, of the Administrative Code and the regulations issued under authority thereof.

JAMES V. SPADEA et ux
Name of Grantor

Sworn to and subscribed to before me this 16 day of June, 19 70

(Signature of owner, partner, officer of corporation, etc.)

Owner
Title

Signature of officer administering oath

AFFIDAVIT BY GRANTEE

I swear (or affirm) that this return including the accompanying schedules or statements, has been examined by me, and is, to the best of my knowledge and belief, a true and complete return, made in good faith, pursuant to Chapter 46, Title H, of the Administrative Code and the regulations issued under authority thereof.

DH and DF COMPANY
Name of Grantee

Sworn to and subscribed to before me this 16 day of June, 19 70

(Signature of owner, partner, officer of corporation, etc.)

Title

Signature of officer administering oath

MAKE CHECK OR MONEY ORDER PAYABLE TO THE ORDER OF THE FINANCE ADMINISTRATOR

Please file this completed form with the Office of the City Register (in the county where the deed is recorded) or with the County Clerk of Richmond (if the deed is recorded in said county) only when accompanied by the deed to which it refers. If this form is not accompanied by the deed to which it refers, it is to be filed directly with the Finance Administrator at the Office of Special Taxes, 139 Centre Street, New York, N. Y. 10013.

This return must be filed and the tax due thereon paid within thirty (30) days after delivery of the deed by the Grantor to the Grantee but before the recording of such deed. A return must be filed by both the Grantor and the Grantee whether or not a tax is due.

Location of Borough Offices of Register

Manhattan—31 Chambers St., New York, N. Y. 10007
The Bronx—851 Grand Concourse, Bronx, N. Y. 10451
Brooklyn—360 Adams St., Brooklyn, N. Y. 11201
Queens—161-04 Jamaica Avenue, Jamaica, N. Y. 11432
Richmond—County Clerk's Office

Form R.P.T.

1982

SCHEDULE A

Item No.	Mortgages or Other Liens or Encumbrances Which Existed Before Delivery of Deed and Remained After Delivery of Deed				
	MORTGAGES				
	County Recorded	Date Recorded	Liber and Page No.	Date of Mortgage	Amount Unpaid
					$
	Other Liens or Encumbrances—Description:				
8.	(Enter as Item 2, Page 1 of Return)			TOTAL	$

SCHEDULE B

Item No.	Allocation of Net Consideration Where the Property Transferred is Situated Partly Within and Partly Without the City of New York	
9.	Net Consideration (Item 3, Page 1)	$
10.	* Total Assessed Valuations of Property Situated Within and Without the City of New York	
11.	Deduct—Assessed Valuations of Property Situated Outside the City of New York	
12.	Assessed Valuation of Property Situated Within the City of New York	$
13.	Percentage of Total Assessed Valuations of Property Attributable to Property Situated Within the City of New York (Item 12 ÷ Item 10)	%
14.	Allocated Net Consideration Subject to Tax (Item 9 × Item 13) (Enter as Item 4, Page 1 of Return)	$

* Note:

The assessed valuations to be used are those in effect at the time of transfer of property. In lieu of assessed valuations, the equalized valuations based on the state equalization tables may be used provided that they are applied to the property both within and without the City of New York.

ONLY COPY AVAILABLE

1983

THE TITLE GUARANTEE COMPANY 1B

120 BROADWAY NEW YORK, N.Y. 10005

INVOICE DATE	AS OF	TITLE NUMBER	CL. CODE NUMBER
	06/09/10	4107782	94830

INSURANCE	EXAMINATION AND/OR PREMIUM	PROPERTY INSPECTION	MUNICIPAL SEARCHES	OTHER CHARGES CODE	TOTAL CHARGES
275,000.00	918.00		24.20	98	942.20 49.95 992.15

File Partnership & 2 Copies Rec'd

MORTGAGE TAX

DEED TAX

RECORDING CHARGES

PAY THIS AMOUNT →

*SEE REVERSE SIDE FOR EXPLANATION OF OTHER CHARGES

GORELIK & BALL
345 PARK AVE.
NEW YORK NY 10022

ATT'N OF: W. RUBIN

FILE NO.

PREMISES	OWNER	INSURED
124 E 30 ST	SPADES	

S264B 7-69 - 25M

ONLY COPY AVAILABLE

7C

TH' /70 MJM

PROTEST ASSESSED VALUATIONS FOR 1970-71 IS MARCH 15, 1970

FINANCE ADMINISTRATION
BUREAU OF CITY COLLECTIONS
ROOM 100 MUNICIPAL BLDG.
NEW YORK, N.Y. 10007
PHONE 566-1089

THE CITY OF NEW YORK
MANHATTAN

69 70

BILL FOR REAL ESTATE TAXES

TAX YEAR JULY 1, 1969 - JUNE 30, 1970

YOUR TAX IS DUE IN FOUR INSTALLMENTS ON THE DATES SHOWN AT THE RIGHT. THIS BILL WILL BE USED FOR ALL FOUR PAYMENTS. SUBMIT THIS BILL WITH EACH PAYMENT: IT WILL BE RECEIPTED AND RETURNED TO YOU. YOU MAY PREPAY AS MANY QUARTERS AS YOU WISH (SEE REVERSE SIDE FOR DISCOUNT BENEFITS). PAY BY MAIL IF POSSIBLE. DO NOT MAIL CASH OR STAMPS. MAKE CHECK OR MONEY ORDER PAYABLE TO: CITY COLLECTOR. SEE BELOW FOR PAYMENT INSTRUCTIONS:

CHECK BLOCK & LOT NUMBERS			
	BLOCK	LOT	C
0	893	77 6	

SEE BACK OF BILL IF THERE ARE PRIOR YEARS' ARREARS

THE REAL TAX RATE IS $ 5.54 PER $100 OF ASSESSED VALUATION

IF NAME OR MAILING ADDRESS IS INCORRECT NOTIFY THE BUREAU OF CITY COLLECTIONS OFFICE

J V SPADEA
BOX 451
MILFORD N J 08848

ASSESSED VALUATION	TOTAL TAX 1969-1970	BC
78000	4321 20	S

SEND MAIL PAYMENTS TO:
CITY COLLECTOR
P.O. BOX 32
CHURCH STREET STATION
NEW YORK, NEW YORK 10008
PLEASE USE RETURN ENVELOPE

CASH PAYMENTS MAY BE
MADE ONLY TO THE CASHIER AT:
ROOM 100
MUNICIPAL BUILDING
NEW YORK, NEW YORK 10007
CASH PAYMENTS MAY BE PRESENTED MON.-FRI., 9 A.M.-3 P.M.

	RECEIPT FOR FIRST PAYMENT WILL BE ENTERED HERE WHEN PAID	CODE	RECEIPT FOR SECOND PAYMENT WILL BE ENTERED HERE WHEN PAID	CODE	RECEIPT FOR THIRD PAYMENT WILL BE ENTERED HERE WHEN PAID	CODE	RECEIPT FOR FOURTH PAYMENT WILL BE ENTERED HERE WHEN PAID	CODE
	FIRST QUARTER PAYMENT IS DUE ON AUGUST 1, 1969		SECOND QUARTER PAYMENT IS DUE ON OCTOBER 1, 1969		THIRD QUARTER PAYMENT IS DUE ON JANUARY 1, 1970		FOURTH QUARTER PAYMENT IS DUE ON APRIL 1, 1970	
QUARTERLY PAYMENTS DUE	XXX XX		XXX XX		1080 30		1080 30	
INTEREST OR DISCOUNT								
TOTAL AMOUNT PAID					1080.30			

PAID B.J.CO 70 2366 0

1/26/70

The Total Amount for Local Assistance Estimated to be received by The City of New York from The State of New York during the fiscal year 1969-1970 is: $ 1960807064

1984

ONLY COPY AVAILABLE

1985

80

Chemical New York

CHEMICAL BANK NEW YORK TRUST COMPANY

6629 BAY PARKWAY (West 8th Street)
BROOKLYN, N. Y.

1-12
210

June 8 1970 № 11090

PAY TO THE ORDER OF *Bill Rubin, as attorney* $105,000.00

CHEM BK N.Y. TR. CO. One hundred and 05 cts DOLLARS

AUTHORIZED SIGNATURE

⑈011090⑈ ⑆0210⑆0012⑆ 000⑆0800128⑈

ONLY COPY AVAILABLE

1986

Jan 3 19 76 NO.

MANUFACTURERS HANOVER TRUST COMPANY 1-30 210

2929 AVENUE U, BROOKLYN, N. Y.

PAY TO THE ORDER OF [illegible] $ [illegible]

[illegible] DOLLARS

WILLIAM OR ROSE HARRIS

Rose Harris

⑆021000300⑆0084 5⑈15161

ONLY COPY AVAILABLE

1987

THE FIRST NATIONAL BANK

55-417
212

MILFORD, N.J. Dec 4 19 72 No. 127

PAY TO THE ORDER OF Edward H Sparks $ 50.00

Edward H Sparks DOLLARS

Steven K Sparks Special Account

:0212:04170: 200-676-2

ONLY COPY AVAILABLE

1988

DH & DF COMPANY
163 Whitman Drive
Brooklyn, New York 11234

June 9, 1970

Mr. and Mrs. James V. Spadea
R.D., Piperaville, Pa.

Re: Premises 124 East 38th Street
New York, New York

Dear Mr. and Mrs. Spadea:

We hereby acknowledge receipt from you of the sum of $10,000.00, being the deposit held by you in pursuance of a lease dated as of September 29, 1968, between you as landlord, and Status Marketing Corporation, as tenant.

The undersigned, DH and DF Company, the purchaser of the premises described above, agrees that the said deposit shall be used and applied in pursuance of the terms contained in the said lease, and does hereby agree to hold you harmless from, and indemnify you against, any claim on the part of the aforesaid tenant, its successors or assigns, for any reason relating to the said security deposit.

Very truly yours,

DH & DF COMPANY

By:_____

June 9, 1970

Status Marketing Corp.
124 East 38th Street
New York, New York

Re: Premises 124 East 38th Street
New York, New York

Gentlemen:

Please be advised that the undersigned has this day conveyed fee title to the above mentioned premises in which you are a tenant to DH and DF Company. All future rentals should be paid to the new landlord at 163 Whitman Drive, Brooklyn, New York 11234.

Please be further advised that the security deposit - consisting of $10,000.00 under your lease for such premises has also been assigned to DH and DF Company.

Very truly yours,

James V. Spadea

Jean M. Spadea

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Kindly attach this slip to the Certificate of Occupancy when returning same to us.
Title No: 410782

DEPARTMENT OF BUILDINGS 1968

BOROUGH OF MANHATTAN, THE CITY OF NEW YORK

410782

Date July 16, 1968 No. 66216

CERTIFICATE OF OCCUPANCY

NO CHANGES OF USE OR OCCUPANCY NOT CONSISTENT WITH THIS CERTIFICATE SHALL BE MADE UNLESS FIRST APPROVED BY THE BOROUGH SUPERINTENDENT

This certificate supersedes C. O. No. 54404

THIS CERTIFIES that the new—altered—existing—building—premises located at 124 East 30th Street Block 893 Lot 77

That the zoning lot and premises above referred to are situated, bounded and described as follows:

BEGINNING at a point on the ..... side of ..... distant ..... feet from the corner formed by the intersection of ..... and .....

running thence "SEE STATEMENT "A" ..... feet; thence ..... feet;
thence ..... of Alt. 1437-1967 ..... feet; thence ..... feet;
running thence ..... feet; thence .....
to the point or place of beginning, conforms substantially to the approved plans and specifications, and to the requirements of the Building Code, the Zoning Resolution and all other laws and ordinances, and of the rules of the Board of Standards and Appeals, applicable to a building of its class and kind at the time the permit was issued; and

CERTIFIES FURTHER that, any provisions of Section 646e of the New York Charter have been complied with as certified by a report of the Fire Commissioner to the Borough Superintendent.

Class 3
Number Alt. No. 1437-1967 Construction classification— Nonfireproof
Occupancy classification— Commercial Building . Height Bsmt. & 4 stories, 55'-2" feet.
Date of completion— July 9, 1968 . Located in R 7-2 Zoning District.
at time of issuance of permit.

This certificate is issued subject to the limitations hereinafter specified and to the following resolutions of the Board of Standards and Appeals: Cal. 603-57-BZ, 604-57-A **and The City Planning Commission:** (Calendar numbers to be inserted here)

PERMISSIBLE USE AND OCCUPANCY

Off-Street Parking Spaces .....

Off-Street Loading Berths .....

STORY	LIVE LOADS Lbs. per Sq. Ft.	PERSONS ACCOMMODATED	USE
Col.	On Ground		Boiler room and storage.
Bsmt.	50	6	Office and experimental kitchen.
1st	50	2	Offices.
2nd	50	3	Offices.
3rd	50	4	Offices.
4th	40	3	One (1) apartment and office.
			Fire Department Fuel Oil Installation Permit No. C 136825.
		NOTE:	This is a Temporary Certificate of Occupancy for a term expiring March 22, 1971, the date on which the variance will expire on the adjoining building at 122 East 30th Street under Cal. # 672-65-BZ, after which time it is intended that both those buildings shall revert back to a conforming use.

Borough Superintendent

OFFICE COPY—DEPARTMENT OF BUILDINGS

1991

THIS AGREEMENT, made the 14th day of April, nineteen hundred and seventy

BETWEEN JAMES V. SPADEA and JEAN M. SPADEA, residing at R. D. Pipersville, Pennsylvania,

hereinafter described as the seller, and STATUS MARKETING CORPORATION, a New York corporation, having an office at 124 East 38th Street, New York, New York,

hereinafter described as the purchaser.

WITNESSETH, that the seller agrees to sell and convey, and the purchaser agrees to purchase, all that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

ALL that certain lot, piece or parcel of land, with the building thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows: BEGINNING at a point on the Southerly side of 38th Street, distant one hundred twenty-four feet ten inches Westerly from the corner formed by the intersection of said Southerly side of 38th Street with the Westerly side of Lexington Avenue; running thence Westerly along the Southerly side of 38th Street, fourteen feet eight inches, more or less, to a point opposite centre of a party wall; thence SOUTHERLY parallel with Lexington Avenue, and part of the way through said party wall, eighty feet and nine and one-half inches to the Northerly side of a brick wall; thence EASTERLY along said brick wall, and parallel with 38th Street, fourteen feet eight inches, more or less, to a point distant one hundred twenty-four feet ten inches Westerly from the Westerly side of Lexington Avenue, said distance being measured along a line drawn at right angles to Lexington Avenue; thence NORTHERLY parallel with Lexington Avenue, eighty feet nine and one-half inches to the point or place of BEGINNING.

This sale includes all right, title and interest, if any, of the seller in and to any land lying in the bed of any street, road or avenue opened or proposed, in front of or adjoining said premises, to the center line thereof, and all right, title and interest of the seller in and to any award made or to be made in lieu thereof and in and to any unpaid award for damage to said premises by reason of change of grade of any street, and the seller will execute and deliver to the purchaser, on closing of title, or thereafter, on demand, all proper instruments for the conveyance of such title and the assignment and collection of any such award.

The price Two Hundred Seventy-Five Thousand ($275,000.00) Dollars, payable as follows:

Twenty-Seven Thousand Five Hundred ($27,500.00) Dollars,

on the signing of this contract, by check subject to collection, the receipt of which is hereby acknowledged;

Two Hundred Forty-Seven Thousand Five Hundred ($247,500.00) Dollars,

in cash or good certified check on the delivery of the deed as hereinafter provided;

Dollars;

bearing interest at the rate of per cent per annum from

Dollars;

secured by a purchase money mortgage on the premises, bearing interest at the rate of per cent per annum from

payable

A bond or note and mortgage to be given hereunder shall be drawn on the standard forms of New York Board of Title Underwriters for mortgages of like lien; and shall be drawn by the attorney for the seller at the expense of the purchaser, who shall also pay the mortgage recording tax and recording fees and pay for and affix to such instruments any and all revenue stamps that may be necessary.

If such purchase money mortgage is to be a subordinate mortgage on the premises it shall provide that it shall be subject and subordinate to the lien of the existing mortgage of $, any extensions thereof and to any mortgage or consolidated mortgage which may be placed on the premises in lieu thereof, and to any extensions thereof provided (a) that the interest rate thereof shall not be greater than per cent per annum and (b) that, if the principal amount thereof shall exceed the amount of principal owing and unpaid on said existing mortgage at the time of placing such new mortgage or consolidated mortgage, the excess be paid to the holder of such purchase money mortgage in reduction of the principal thereof. Such purchase money mortgage shall also provide that such payment to the holder thereof shall not alter or affect the regular installments, if any, of principal payable thereunder and shall further provide that the holder thereof will, on demand and without charge therefor, execute, acknowledge and deliver any agreement or agreements further to effectuate such subordination.

If there be a mortgage on the premises the seller agrees to deliver to the purchaser at the time of delivery of the deed a proper certificate executed and acknowledged by the holder of such mortgage and in form for recording, certifying as to the amount of the unpaid principal and interest thereon, date of maturity thereof and rate of interest thereon, and the seller shall pay the fees for recording such certificate.

Said premises are sold and are to be conveyed subject to:

1. Zoning regulations and ordinances of the city, town or village in which the premises lie which are not violated by existing structures.

2. Consents by the seller or any former owner of premises for the erection of any structure or structures on, under or above any street or streets on which said premises may abut.

3. Encroachments of stoops, areas, cellar steps, trim and cornices, if any, upon any street or highway.

4. Restrictive covenants in Liber 485 Cp. 593-594 and Liber 341 Cp. 307 and repeated in Liber 557 Cp.33 (all recorded in the office of the City Register, New York County).

5. Any state of facts which an accurate survey would show provided the same does not render title unmarketable.

6. Discontinuance of right to maintain vault under sidewalk, if any.

CONTINUED ON RIDER ATTACHED HERETO AND MADE A PART HEREOF.

All notes or notices of violations of law or municipal ordinances, orders or requirements noted in or issued by the Departments of Buildings, Fire, Labor, Health, or other State or Municipal Department having jurisdiction, against or affecting the premises at the date hereof, shall be complied with by the seller and the premises shall be conveyed free of the same, and this provision of this contract shall survive delivery of the deed hereunder. The seller shall furnish the purchaser with an authorization to make the necessary searches therefor.

This clause is usually omitted if the property is not in the City of New York.

If, at the time of the delivery of the deed, the premises or any part thereof shall be or shall have been affected by an assessment or assessments which are or may become payable in annual installments, of which the first installment is then a charge or lien, or has been paid, then for the purposes of this contract all the unpaid installments of any such assessment, including those which are to become due and payable after the delivery of the deed, shall be deemed to be due and payable and to be liens upon the premises affected thereby and shall be paid and discharged by the seller, upon the delivery of the deed.

The following are to be apportioned:

(1) Rents as and when collected. (2) Interest on mortgages. (3) Premiums on [illegible] insurance [illegible] (4) Taxes and sewer rents, if any, on the basis of the fiscal year for which assessed. (5) Water charges on the basis of the calendar year. (6) Fuel, if any.

If the closing of title shall occur before the tax rate is fixed, the apportionment of taxes shall be upon the basis of the tax rate for the next preceding year applied to the latest assessed valuation.

If there be a water meter on the premises, the seller shall furnish a reading to a date not more than thirty days prior to the time herein set for closing title, and the unfixed meter charge and the unfixed sewer rent, if any, based thereon for the intervening time shall be apportioned on the basis of such last reading.

The deed shall be the usual bargain and sale deed with covenant against grantor's acts in proper statutory short form for record and shall be duly executed, acknowledged, and have revenue stamps in the proper amount affixed thereto by the seller, at the seller's expense, so as to convey to the purchaser the fee simple of the said premises, free of all encumbrances, except as herein stated, and shall also contain the covenant required by subdivision 5 of Section 13 of the Lien Law.

This clause should be omitted if the property is not in the City of New York.

At the closing of the title the seller shall deliver to the purchaser a certified check to the order of the Director of Finance for the amount of the Real Property Transfer Tax imposed by Title H of Chapter 46 of the Administrative Code of the City of New York and will also deliver to the purchaser the return required by the said statute and the regulations issued pursuant to the authority thereof, duly signed and sworn to by the seller; the purchaser agrees to sign and swear to the said return and to cause the said check and the said return to be delivered to the City Register promptly after the closing of the title.

~~The seller shall give and the purchaser shall accept a title such as a Member of the New York Board of Title Underwriters will approve and insure.~~

All sums paid on account of this contract, and the reasonable expenses of the examination of the title to said premises and of the survey, if any, made in connection therewith are hereby made liens thereon, but such liens shall not continue after default by the purchaser under this contract.

All fixtures and articles of personal property attached or appurtenant to or used in connection with said premises are represented to be owned by the seller, free from all liens and encumbrances except as herein stated, and are included in this sale; ~~without limiting the generality of the foregoing, such fixtures and articles of personal property include but are not limited to~~ heating, lighting and cooking fixtures, air conditioning fixtures and units, ranges, refrigerators, radio and television aerials, bathroom and kitchen cabinets, mantels, door mirrors, venetian blinds, shades, screens, awnings, storm windows, window boxes, storm doors, ~~all trees, shrubs, flagpoles, pumps, thubboy, and outdoor statuary.~~

The amount of any unpaid taxes, assessments, water charges and sewer rents which the seller is obligated to pay and discharge, with the interest and penalties thereon to a date not less than two business days after the date of closing title, may at the option of the seller be allowed to the purchaser out of the balance of the purchase price, provided official bills therefor with interest and penalties thereon figured to said date are furnished by the seller at the closing. If at the date of closing title there may be any other liens or encumbrances which the seller is obligated to pay and discharge, the seller may use any portion of the balance of the purchase price to satisfy the same, provided the seller shall have delivered to the purchaser at the closing of title instruments in recordable form and sufficient to satisfy such liens and encumbrances of record, together with the cost of recording or filing said instruments. The purchaser, if request is made within a reasonable time prior to the date of closing of title, agrees to provide at the closing separate certified checks as requested, aggregating the amount of the balance of the purchase price, to facilitate the satisfaction of any such liens or encumbrances. The existence of any such taxes or other liens and encumbrances shall not be deemed objections to title if the seller shall comply with the foregoing requirements.

If a search of the title discloses judgments, bankruptcies or other returns against other persons having names the same as or similar to that of the seller, the seller will on request deliver to the purchaser an affidavit showing that such judgments, bankruptcies or other returns are not against the seller.

~~In the event that the seller is unable to convey title in accordance with the terms of this contract, the sole liability of the seller~~ will be to refund to the purchaser the amount paid on account of the purchase price and to pay the net cost of examining the title, which cost is not to exceed the charges fixed by the New York Board of Title Underwriters, and the net cost of any survey made in connection therewith incurred by the purchaser, and upon such refund and payment being made this contract ~~shall become void and cancelled.~~

The deed shall be delivered upon the receipt of said payments at the office of the attorney for Seller not later than ninety (90) days after ~~Purchaser shall notify Seller of~~ ~~election to purchase the property as provided in the lease agreement to which this contract is annexed as Exhibit~~ the date hereof.

The parties agree that Pease & Elliman, Inc. brought about this sale and the seller agrees to pay the commission. per a separate agreement.

It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this contract, which alone fully and completely expresses their agreement, and that the same is entered into after full investigation, neither party relying upon any statement or representation, not embodied in this contract, made by the other. The purchaser has inspected the buildings standing on said premises and is thoroughly acquainted with their condition.

This agreement may not be changed or terminated orally. The stipulations aforesaid are to apply to and bind the heirs, executors, administrators, successors and assigns of the respective parties.

If two or more persons constitute either the seller or the purchaser, the word "seller" or the word "purchaser" shall be construed as if it read "sellers" or "purchasers" whenever the sense of this agreement so requires.

IN WITNESS WHEREOF, this agreement has been duly executed by the parties hereto.

In presence of:

_____ JVS James V. Spadea

_____ JMS Jean M. Spadea

_____ STATUS MARKETING CORPORATION

By _____

NOTE: FIRE LOSSES. This form of contract contains no express provision as to risk of loss by fire or other casualty before delivery of the deed. Unless express provision is made, the provisions of Section 5-1311 of the General Obligations Law will apply. This section also places risk of loss upon purchaser if title or possession be not closed prior to the fire or other casualty.

RIDER TO CONTRACT OF SALE BETWEEN
JAMES V. SPADEA AND JEAN M. SPADEA
AND STATUS MARKETING CORPORATION

A. Said premises are also sold and are to be conveyed subject to:

7. Right of tenants.

8. Restrictions placed on or against the premises after September 24, 1968 by reason of anything done by or against purchaser, its assignees and subtenants, as Tenant, under Lease dated September 24, 1968 with seller, as Landlord, covering premises to be conveyed hereunder.

9. Any condemnation proceedings or rights or interests resulting therefrom or any easement or right of way in favor of any public body or public utility or entity with power to condemn property arising after the date of the aforesaid lease.

10. Taxes and assessments for the current year.

B. 1. The purchaser, at least ten days prior to the closing of title hereunder, shall furnish to seller's attorneys a complete copy of the certificate of title or title report or lawyer's certificate obtained by the purchaser from the purchaser's title insurer.

2. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this contract of sale. This contract of sale constitutes the entire agreement between the parties hereto, and the same has been entered into by the purchaser after full investigation, the purchaser not relying upon any warranty, express or implied, guarantee, promise, statement, representation, or information by or from the seller not specifically and expressly embodied in this contract of sale. The seller has not made or furnished and does not make or furnish any warranties, express or implied, guarantees, promises, statements or information as to the physical condition, layout, leases, rents, income, expenses, operation, or any other matter or thing affecting or relating to said premises or this contract of sale, except as in this contract of sale specifically and expressly set forth. The seller shall not be liable or bound in any manner by any verbal or written warranty, express or implied, guarantee, promise, statement, representation, information, or real estate broker's "set-up" pertaining to said premises or the operation, layout, expenses, condition, income, leases, or any other matter or things with respect thereto furnished by any real estate broker, agent, employee, servant, or by the owner of said premises, or by any other person representing or purporting to represent any of the aforesaid or the seller, unless the same are specifically and expressly

set forth herein. Purchaser represents to the seller that purchaser has examined the premises or caused the same to be examined, that purchaser agrees to accept the same "as is," and that the purchaser is fully satisfied with the physical condition thereof, and that neither the seller nor any agent or representative of the seller has made any representations regarding the condition thereof.

3. If purchaser shall default in performing the terms of this Agreement on the part of the purchaser to be performed, all payments made by the purchaser pursuant to this Agreement may, at the option of the seller, be retained by seller as liquidated damages, in which case the parties hereto shall be relieved and released of and from any further liability hereunder.

4. Any notice under the provisions of this Agreement shall be given by certified mail, return receipt requested, directed as follows:

To the Seller: c/o Stroock & Stroock & Lavan
(Attention: Martin D. Eile, Esq.)
61 Broadway
New York, New York 10006

To the Purchaser: 124 East 38th Street
New York, New York 10016

All notices shall be effective when mailed.

5. If an examination of title to the premises before the closing of title shall disclose that title is not marketable in accordance with the terms and conditions of this Agreement, and if the seller shall be unable or unwilling by reason of the cost thereof to cure any defects within thirty (30) days after notification thereof by the purchaser, specifying each and every objection and defect, then the purchaser may either (a) accept such title subject to such objections and defects without abatement in the price and without any claim for damage, or (b) reject title, in which latter event the seller shall return to the purchaser all monies paid hereunder by the purchaser to the seller on account of the purchase price and the net title company fees and the net cost of any surveys paid for by the purchaser in connection with title insurance and thereupon this Agreement shall be null and void and without further liability of any party to the other.

JVS
James V. Spadea, Seller

JMS
Jean M. Spadea, Seller

STATUS MARKETING CORPORATION

By _____ Purchaser

GOVT EXH 80a--LETTER DATED APRIL 13, 1970

April 13, 1970

Status Marketing Corporation
124 East 38th Street
New York, New York 10016

Re: Premises - 124 East 38th Street
New York, New York

Gentlemen:

This will confirm our understanding and agreement with respect to the option to purchase the above premises contained in your lease covering said premises dated September 24, 1968 between you, as tenant, and James V. Spadea and Jean M. Spadea, as landlord:

(1) You are to forthwith exercise said option to purchase.

(2) The sum of $27,500 delivered to you by the undersigned is to be used by you to make payment of the downpayment in said amount due under the contract of sale to be executed following the exercise of said option.

(3) You are to assign your interest as purchaser under said contract of sale to the undersigned, who will consummate said contract and take title to said premises.

(4) When we acquire title to the premises we will consent to the assignment by you of your aforesaid lease covering said premises to New Dimension Securities Corp.(pursuant to separate agreement)

Kindly confirm your agreement to the foregoing by executing and returning the duplicate copy of this letter.

Very truly yours,

Bernard Deutsch

Stanley DuBoff

Consented to and approved:

STATUS MARKETING CORP.

By _____

MODIFICATION OF LEASE

MODIFICATION OF LEASE AGREEMENT made as of the 9th day of June, 1970 by and between DH AND DF COMPANY, a New York co-partnership having an office at 163 Whitman Drive, Brooklyn, New York (herein called "Landlord"), and NEW DIMENSION SECURITIES CORP., a New York corporation having an office at 17 Battery Place, New York, New York (herein called "Tenant").

W I T N E S S E T H:

WHEREAS, by Agreement of Lease dated September 24, 1968 James V. Spadea and Jean M. Spadea leased to Status Marketing Corporation the entire building known as 124 East 38th Street, New York, New York (herein called the "Lease"); and

WHEREAS, the landlord's interest in the Lease is now held by Landlord and the tenant's interest therein is now held by Tenant; and

WHEREAS, the parties wish to modify the Lease as hereinbelow set forth.

NOW, THEREFORE, it is hereby agreed as follows:

1. Landlord consents to the making of improvements in and to the demised premises by Tenant at Tenant's sole cost and expense in accordance with the plans and specifications therefor submitted by Tenant to Landlord. It is understood and agreed that the terms and provisions of Articles 3 and 39 of the Lease shall govern and apply and that Tenant shall comply therewith in the making of said improvements.

2. The term of the Lease shall end on September 30, 1973 (instead of September 30, 1975).

3. Tenant shall have one option to renew and extend the Lease for a period of three (3) years, to wit, from October 1, 1973 to September 30, 1976, upon the same terms and conditions as herein contained upon giving Landlord written notice of its intention to exercise said option on or before March 30, 1973.

4. The base rent under the Lease shall be as follows:

(a) From June 9, 1970 to September 30, 1970 the base rent shall be at the annual rate of $36,000, payable in equal monthly installments of $3,000 on the first day of each and every month during said period.

(b) From October 1, 1970 to the end of the term, to wit, September 30, 1973, the base rent shall be at the annual rate of $72,000, payable in equal monthly installments of $6,000 on the first day of each and every month during said period.

5. Article 47 of the Lease (entitled "Tax Escalation") is cancelled and in lieu thereof there is substituted the following:

"Tenant covenants and agrees to pay all real estate taxes, assessments and water and sewer rents and charges which during the term of this Lease may be assessed, levied or imposed upon the demised premises, or the sidewalks or streets in front of or adjoining the demised premises, or any vault, passageway or space in, over or under such sidewalk or street, or any

other appurtenances of the demised premises, or any personal property, equipment or other facility used in the operation thereof, or any use or occupancy thereof (all such items being herein called "Impositions"), each such Imposition during the term of this Lease to be paid not later than the day before any fine, penalty, interest or cost may be added thereto or imposed by law for the non-payment thereof. Any Imposition covering a period which includes both a period prior to June 9, 1970 and a period following June 9, 1970 shall be apportioned between Landlord and Tenant. Any Imposition covering a period which includes both a period prior to the expiration date of the term of this Lease and a period following said expiration date shall be apportioned between Landlord and Tenant.

"If Landlord shall elect to contest any taxes levied or assessed against the demised premises and if Landlord shall be successful in such contest, Tenant shall be entitled to any refund (after deduction of Landlord's expenses, including legal fees) received by Landlord of any such taxes which shall have been paid by Tenant pursuant hereto."

6. Article 56 of the Lease (entitled "Option to Purchase") is of no further force or effect and shall be deemed null and void.

7. Tenant assigns to Landlord as security for the performance of its obligations under the Lease all of its right, title and interest in and to all of the furniture, furnishings, fixtures and equipment installed or placed upon the Demised Premises during the term of the Lease, said assignment, however, to become effective only upon a default by Tenant under the Lease. Upon such default, Landlord shall be entitled to take possession of all of said furniture, furnishings, fixtures and equipment.

8. Except as herein provided, all of the terms and provisions of the Lease remain in full force and effect and are hereby ratified, confirmed and approved.

IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

Landlord:

DH AND DF COMPANY

By _____
Partner

Tenant:

NEW DIMENSION SECURITIES CORP.

By _____
President

2001

MODIFICATION OF LEASE

DH AND DF COMPANY

Landlord

NEW DIMENSION SECURITIES CORP.

Tenant

124 East 38th Street
New York, New York

ONLY COPY AVAILABLE 2002

GOVT EXHS 81a and 81b--CHECK AND REQUISTION FOR CHECK

81a

-020
.. 99 (5-68)

DATE JUN 8 1970

REQUISITION FOR OFFICIAL CHECK

NO. 11070

TO THE ORDER OF Bill Rubin, as attorney FOR $ 105,000 —

DRAWN FOR ACCOUNT OF H Klajmstein #050-525693

IN REIMBURSEMENT
( ) WE CREDIT ON PROOF
( ) DEBIT TICKET HEREWITH
( ) CHARGE MY/OUR ACCOUNT
( ) CHECK HEREWITH
( ) CASH HEREWITH

CLERK	OFFICER

Beatrice McGregor
DEPOSITOR OR DEPARTMENT

80

Chemical New York
CHEMICAL BANK NEW YORK TRUST COMPANY

6629 BAY PARKWAY (West 8th Street)
BROOKLYN, N. Y.

1-12
210

June 8 1970 № 11090

PAY TO THE ORDER OF *Bill Rubin, as attorney* $105,000.00

CHEM BK N.Y. TR. CO. One Hundred Five Thousand and 00/100 DOLLARS

JUN 11 1970

AUTHORIZED SIGNATURE

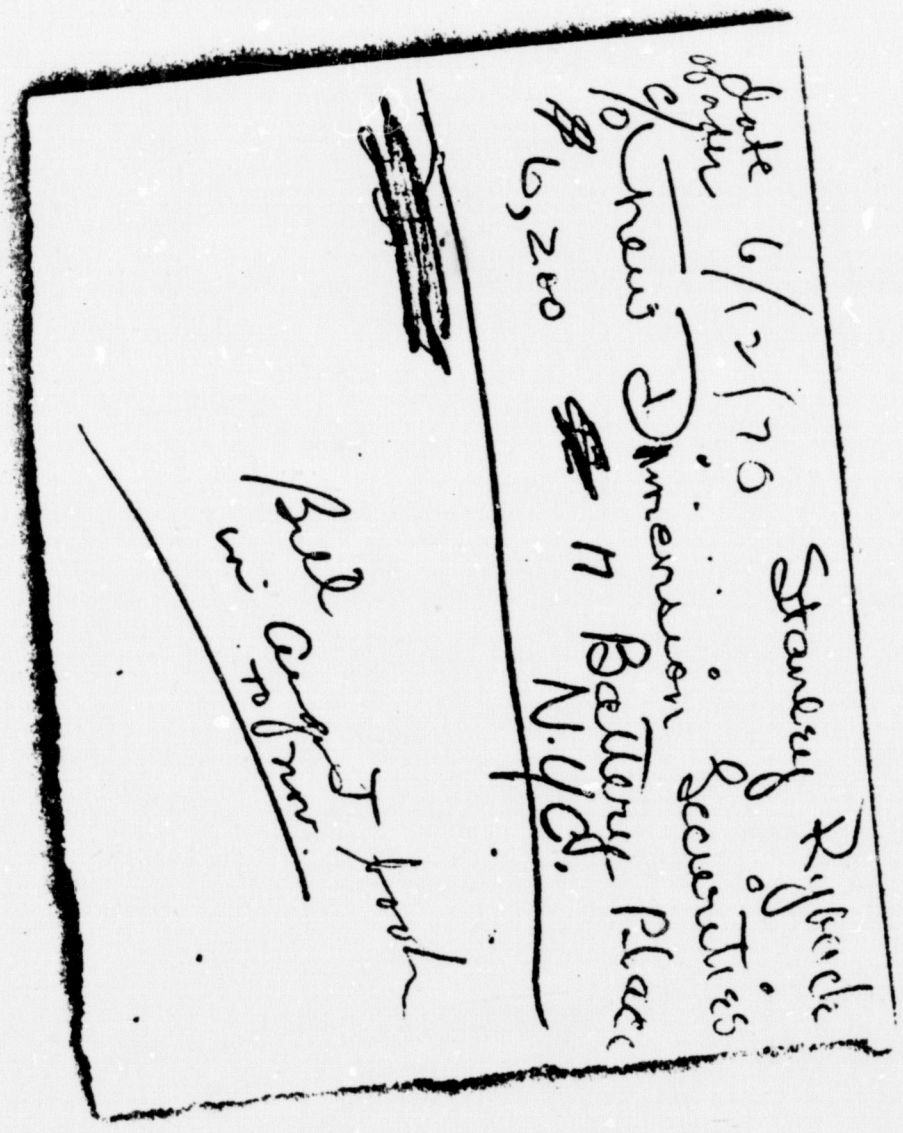
OFFICIAL CHECK

"011090" :0210-0012: 000-0800121" "0010500000"

2003

GX 82

GOVT EXH 82--PINCUS INC. BILLS



ONLY COPY AVAILABLE

2004

ESplanade 6-4007

ESplanade 6-3488

Pincus decorators Inc.

8685

3058-3062 AVENUE U • BROOKLYN, N. Y. 11229

Sold to _____ Phone _____

Address _____ Apt. _____

BY THE REQUEST OF THE PURCHASER, PINCUS DECORATORS WILL MAKE AND FURNISH THE FOLLOWING ITEMS TO THE BEST OF THEIR ABILITY AND IT MUST BE UNDERSTOOD THAT THIS MERCHANDISE IS BEING MADE TO ORDER AND IS NOT SUBJECT TO ANY CHANGES, CANCELLATIONS OR REFUSAL. A CASH DEPOSIT AMOUNTING TO ONE-THIRD OF THE ORDER IS REQUIRED. UPON DELIVERY OF THE ENTIRE ORDER OR ANY PART THEREOF, A CASH PAYMENT IS REQUIRED IN FULL OR ANY PART ACCEPTED. THE MERCHANDISE HEREIN MENTIONED IS TO REMAIN THE PROPERTY OF PINCUS DECORATORS UNTIL FULLY PAID FOR.

"DELIVERY OF FURNITURE REQUIRING HOISTING WILL BE MADE ONLY AT THE EXPENSE AND RISK OF PURCHASER"

		SALES TOTAL -	9212
		1 SPECIAL CUSTOM TUFT 36"SQUARE -	
		CUSTOM UPHOLSTERED IN FABRIC - HEAVY	
36.00		FINISHED - PRESSED & STEAMED CHECK WITH	
		1 ROUND SOFA - 72" DIAMETER WITH CUSTOM	6210
		FINISH - 4 SPINDLES FROM CHOICE OF	
32.00		LEG HEAVY DISTRESSED 6/23/70 check	6700
		2 ROUND FOOTSTOOLS 18" SEAT FINISH TO →	12.00
		MATCH SOFA AS ABOVE 4 LEGS OF HEAVY DESIGNED	
36.00		TURNED SEAT STUFFED OVER SPRINGS	
		1 PAIR BENCH - WITH BOX SEAT STYLE	
6.00		WITHOUT BACK FOR	
24.00	1	WING CHAIR	
39.00	1	RE-UPHOLSTERED - FABRIC CUSTOMER	
24.00	1	DINING CHAIR - SEAT ONLY	

"NOT RESPONSIBLE FOR ANY FABRIC WHEN DRYCLEANED"

Salesman _____ Customer's Signature _____

ONLY COPY AVAILABLE

ONLY COPY AVAILABLE

2056

ESplanade 6-4007

ESplanade 6-3488

8686

Pincus decorators Inc.

ADD. DEP._____

3058-3062 AVENUE U • BROOKLYN, N. Y. 11229

Sold to MRS S DUBOFF Phone_____

Address (SEE CHECK #. BILL) Apt._____

BY THE REQUEST OF THE PURCHASER, PINCUS DECORATORS WILL MAKE AND FURNISH THE FOLLOWING ITEMS TO THE BEST OF THEIR ABILITY AND IT MUST BE UNDERSTOOD THAT THIS MERCHANDISE IS BEING MADE TO ORDER AND IS NOT SUBJECT TO ANY CHANGES, CANCELLATIONS OR REFUSAL. A CASH DEPOSIT AMOUNTING TO ONE-THIRD OF THE ORDER IS REQUIRED. UPON DELIVERY OF THE ENTIRE ORDER OR ANY PART THEREOF, A CASH PAYMENT IS REQUIRED IN FULL OR ANY PART ACCEPTED. THE MERCHANDISE HEREIN MENTIONED IS TO REMAIN THE PROPERTY OF PINCUS DECORATORS UNTIL FULLY PAID FOR.

"DELIVERY OF FURNITURE REQUIRING HOISTING WILL BE MADE ONLY AT THE EXPENSE AND RISK OF PURCHASER"

DAY

"NOT RESPONSIBLE FOR ANY FABRIC WHEN DRYCLEANED"

Salesman .....

Customer's Signature .....

ONLY COPY AVAILABLE

2007

5500	① LIGHT CANOPY
2500	① SMALL CROWN - STRAIGHT
2000	① RECLINE CROWN - "
4000	② SHELVES - SMALL "
13500	① SMALL DRAWER
5000	TV COLOR SECTION
2000	① REG SHELF 14"
1500	① " " 10"
19000	① BAR UNIT
4800	4 RAILS
10000	INSTALLATION AT LAKE

84100	
10000	
94100	

ONLY COPY AVAILABLE

ESplanade 6-4007

2008

ESplanade 6-3488

Pincus decorators Inc.

ADD. DEP.

8687

3058-3062 AVENUE U • BROOKLYN, N. Y. 11229

Sold to MRS. S. DUBOFF Phone

Address (1 DE ARMS BLDG) Apt.

BY THE REQUEST OF THE PURCHASER, PINCUS DECORATORS WILL MAKE AND FURNISH THE FOLLOWING ITEMS TO THE BEST OF THEIR ABILITY AND IT MUST BE UNDERSTOOD THAT THIS MERCHANDISE IS BEING MADE TO ORDER AND IS NOT SUBJECT TO ANY CHANGES, CANCELLATIONS OR REFUSAL.
A CASH DEPOSIT AMOUNTING TO ONE-THIRD OF THE ORDER IS REQUIRED.
UPON DELIVERY OF THE ENTIRE ORDER OR ANY PART THEREOF, A CASH PAYMENT IS REQUIRED IN FULL OR ANY PART ACCEPTED. THE MERCHANDISE HEREIN MENTIONED IS TO REMAIN THE PROPERTY OF PINCUS DECORATORS UNTIL FULLY PAID FOR.
"DELIVERY OF FURNITURE REQUIRING HOISTING WILL BE MADE ONLY AT THE EXPENSE AND RISK OF PURCHASER"

		M.B.R. (MASTER BEDROOM)		
		D.M. BEDSPREAD - SHAPED EDGE FULL		
		LEMAL FOUNTAIN BLEU - OUTLINE QUILTING		
360	sq	SIDE PIECES OF LEMAL FOUNTAIN BLEU - FINISH SEWING SEAMS		
157	sq	1" CHAIR WELTING - 7 WIDTHS TO PIPE FOUNTAIN SILHOUETTE - WELTED @ 45¢		
162	sq	HEADBOARD DRAPES - LEMAL FOUNTAIN BLEU - 3 WIDTHS TO PIPE - LINED (@ 46¢		
		DRESSING ROOM		
		BEDSPREAD (EXTENDED TO FLOOR)		
		FRENCH PROVINCIAL SCALLOPED VALANCE -		
60	sq	LEMAL FOUNTAIN BLEU (@ 60¢		
		FULL LENGTHS - FOUNTAIN SILHOUETTE -		
90	sq	4 WIDTHS TO PIPE - TO SILL - LINED (@ 65¢		
		LAMINATED PRINT - 5½ YARDS -		
(150		LEMAL FOUNTAIN BLEU (@ 60¢)		

"NOT RESPONSIBLE FOR ANY FABRIC WHEN DRYCLEANED"

Salesman

Customer's Signature

ONLY COPY AVAILABLE

2009

DELIVERED MON APR 22

L.R. + D.R. DRAPES
DEN TABLE + 4 CHAIRS
HANGING SHELF AND 2 BENCHES
COCKTAIL TABLE
COMMODE
2 SEAT PILLOWS ON FIREPLACE
1 LAMP AND SHADE
1 PIANO BENCH
2 SOFAS (SOFA + LOVE SEAT) DEN
1 CLUB
1 CHAISE LONGUE
1 BENCH
WENDY'S SPREAD + CURTAINS
GUEST ROOM SPREAD

HANGING SHELF DEL'D JULIE 10

ONLY COPY AVAILABLE

2010

Esplanade 6-4007

ESplanade 6-3488

Pincus decorators Inc.

ADD. DEP.

8688

3058-3062 AVENUE U • BROOKLYN, N.Y. 11229

Sold to MRS. S DUBOFF

(CORP = BILL)

Phone

Address

Apt.

BY THE REQUEST OF THE PURCHASER, PINCUS DECORATORS WILL MAKE AND FURNISH THE FOLLOWING ITEMS TO THE BEST OF THEIR ABILITY AND IT MUST BE UNDERSTOOD THAT THIS MERCHANDISE IS BEING MADE TO ORDER AND IS NOT SUBJECT TO ANY CHANGES, CANCELLATIONS OR REFUSAL.

A CASH DEPOSIT AMOUNTING TO ONE-THIRD OF THE ORDER IS REQUIRED.

UPON DELIVERY OF THE ENTIRE ORDER OR ANY PART THEREOF, A CASH PAYMENT IS REQUIRED IN FULL OR ANY PART ACCEPTED. THE MERCHANDISE HEREIN MENTIONED IS TO REMAIN THE PROPERTY OF PINCUS DECORATORS UNTIL FULLY PAID FOR.

"DELIVERY OF FURNITURE REQUIRING HOISTING WILL BE MADE ONLY AT THE EXPENSE AND RISK OF PURCHASER"

(1) CHAISE LONGUE - HIS EXISTING FRAME

FRAME TO BE REUPHOLSTERED W/NEW

TRIM - DISTRESSED

FABRIC: SILK BRISTOL BLUE (LIGHT)

(OUR FABRIC)

1 BENCH - (CUSTOMER'S OWN BENCH)

REUPHOLSTER IN SILK BRISTOL BLUE

RE-TRIM IN BLUE TO MATCH CHAISE

ABOVE

OPEN

4 WHITE BEECH CHAIRS (TO

[illegible]

[illegible]

[illegible]

[illegible]

"NOT RESPONSIBLE FOR ANY FABRIC WHEN DRYCLEANED"

Customer's Signature

Salesman

ONLY COPY AVAILABLE

2011

ESplanade 6-4007

ESplanade 6-3488

Pincus decorators Inc.

ADD. DEP.

8689

3058-3062 AVENUE U • BROOKLYN, N. Y. 11229

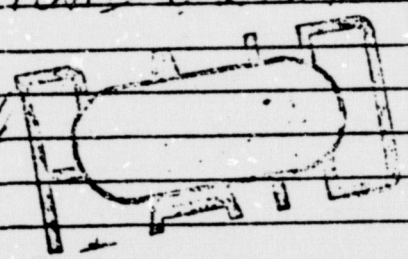
Sold to MRS. S. DUBOFF Phone

Address (SAME AS ABOVE) Apt.

BY THE REQUEST OF THE PURCHASER, PINCUS DECORATORS WILL MAKE AND FURNISH THE FOLLOWING ITEMS TO THE BEST OF THEIR ABILITY AND IT MUST BE UNDERSTOOD THAT THIS MERCHANDISE IS BEING MADE TO ORDER AND IS NOT SUBJECT TO ANY CHANGES, CANCELLATIONS OR REFUSAL. A CASH DEPOSIT AMOUNTING TO ONE-THIRD OF THE ORDER IS REQUIRED. UPON DELIVERY OF THE ENTIRE ORDER OR ANY PART THEREOF, A CASH PAYMENT IS REQUIRED IN FULL OR ANY PART ACCEPTED. THE MERCHANDISE HEREIN MENTIONED IS TO REMAIN THE PROPERTY OF PINCUS DECORATORS UNTIL FULLY PAID FOR.

"DELIVERY OF FURNITURE REQUIRING HOISTING WILL BE MADE ONLY AT THE EXPENSE AND RISK OF PURCHASER"

	(LEST KCH	
	(1 BRKST - 2 BOLSTER PILLOWS	
	TO MATCH WINDOW	
	(OVER LACE) ARUBA IN COLLECTION	
131 CC	(LINED BLACK OUT) @ 131	
104 CC	2 VALANCES - BOLD ARUBA - 52" each @ 2 an inch @ 104	
	SHADES (F GOLD TIFFANY PLEAT) @ 2 an inch	
	WINDOWS (MAIN	
144 00	(LIVING ROOM CORNICE BOARD @	
300 CC	(LIVING - 11 CAFE CURTAINS	
160 CC	(LIVING - 8 WINDOW DRAPES	
110 CC	(LIVING - 11 LOUVER CHEST	
190 CC	(LIVING - 3 DOUBLE DRAPES	
	(CONT)	



"NOT RESPONSIBLE FOR ANY FABRIC WHEN DRYCLEANED"

Salesman

Customer's Signature

ONLY COPY AVAILABLE

2012

ESplanade 6-3488

ESplanade 6-4007

8690

Pincus decorators Inc.

ADD. DEP._____

3058-3062 AVENUE U • BROOKLYN, N. Y. 11229

Sold to MRS. S. DUBOFF Phone_____

(SIDE ARM BILL)

Address_____ Apt._____

BY THE REQUEST OF THE PURCHASER, PINCUS DECORATORS WILL MAKE AND FURNISH THE FOLLOWING ITEMS TO THE BEST OF THEIR ABILITY AND IT MUST BE UNDERSTOOD THAT THIS MERCHANDISE IS BEING MADE TO ORDER AND IS NOT SUBJECT TO ANY CHANGES, CANCELLATIONS OR REFUSAL. A CASH DEPOSIT AMOUNTING TO ONE-THIRD OF THE ORDER IS REQUIRED. UPON DELIVERY OF THE ENTIRE ORDER OR ANY PART THEREOF, A CASH PAYMENT IS REQUIRED IN FULL OR ANY PART ACCEPTED. THE MERCHANDISE HEREIN MENTIONED IS TO REMAIN THE PROPERTY OF PINCUS DECORATORS UNTIL FULLY PAID FOR.

"DELIVERY OF FURNITURE REQUIRING HOISTING WILL BE MADE ONLY AT THE EXPENSE AND RISK OF PURCHASER"

	MRS. SIDE CHAIR - PRINCETON CLUB
	#2 SMALL (CHAIR)
	FITTED SLIP (QUILTED) - FITTED STYLE -
	WITH PLEATS IN CORNERS - MAKE ONE
225.00	DOZ - 2 TABLE PILLOWS @ 12.50
	DRAPERY PANELS
	(1) SMALL WINDOW - 2½ W @ 45 A YD.
	(1) DOUBLE WINDOW - 3 W
247.50	FINISH CLOTH #2 YELLOW
200.00	1 END TABLE (DEN) MM STYLE

"NOT RESPONSIBLE FOR ANY FABRIC WHEN DRYCLEANED"

Customer's Signature .....

Salesman .....

ONLY COPY AVAILABLE

SCHEDULE OF [illegible] TAXABLE P[illegible]
PURCHASES AND SALES OF RICHARDSON [illegible] CO. COMMON STOCK
From 12/4/69 to 4/23/70

2013

GOVT EXHIBIT 83--SCHEDULE

NEW DLJ [illegible] STOCK PURCHASED				FIRM TRADING ACCOUNT				
TRADE DATE 1969	SHARES BOUGHT	PURCHASE PRICE	AMOUNT	TRADE DATE 1969	SHARES SOLD	SALE PRICE	AMOUNT	TO WHOM SOLD
12/ 4	1000	36 1/2	$ 36500 —					
12/ 4	1000	36 1/2	36500 —	12/4	1500	38	$ 56925 —	ACCOUNT # 70-0206
12/ 4	1000	36 1/2	36500 —	12/4	1500	38	56925 —	LOEB RHOADES A/C JAFFEE
				12/11	500	40	19975 —	LOEB RHOADES A/C JAFFEE
12/16	100	40	4000 —					
12/16	77	40	3080 —					
12/16	100	39	3900 —					
12/16	100	42	4200 —	12/16	1000	43 1/2	43450 —	LOEB RHOADES A/C JAFFEE
12/17	1011	42	42462 —					
12/17	1400	38	53200 —					
				12/18	1200	44 1/2	53340 —	LOEB RHOADES A/C JAFFEE
				12/18	1000	44 1/2	44450 —	LOEB RHOADES A/C JAFFEE
				12/ 8	1000	44 1/2	44450 —	LOEB RHOADES A/C JAFFEE
12/19	177	41 1/2	7345 50					
12/19	380	41 3/4	15865 —					
12/23		41 1/2	2116 50	12/23	1000	44 1/2	44450 —	LOEB RHOADES A/C JAFFEE
				12/23	1000	44 1/2	44450 —	LOEB RHOADES A/C JAFFEE
12/24	1000	41	41000 —					
12/24	1000	41	41000 —					
12/24	1000	41	41000 —	12/24	1000	45	44950 —	LOEB RHOADES A/C JAFFEE
12/29	137	41 1/2	5685 50					
12/29	1562	40	62480 —	12/29	3000	45	134850 —	LOEB RHOADES A/C JAFFEE
12/30	1500	40	60000 —					
12/30	1000	41	41000 —					
12/30	1000	41	41000 —					
				12/31	800	44	35160 —	LOEB RHOADES A/C JAFFEE
				12/31	1000	44	43950 —	LOEB RHOADES A/C JAFFEE
1970				1970				
1/ 5	100	41 1/2	4150 —	1/ 5	1000	45	44950 —	LOEB RHOADES A/C JAFFEE
1/ 5	168	42 1/2	7140 —	1/ 5	1000	45	44950 —	LOEB RHOADES A/C JAFFEE
				1/ 5	1000	45	44950 —	LOEB RHOADES A/C JAFFEE

ONLY COPY AVAILABLE

SCHEDULE OF NEW EXCHANGE SECURITIES HELD IN NAME OF ACCOUNT
PURCHASES AND SALES OF RICHARD PACKING CO. COMMON STOCK
FROM 12/4/69 TO 4/23/70

	PURCHASES				SALES				TO WHOM SOLD
	TRADE DATE	SHARES BOUGHT	PURCHASE PRICE	AMOUNT	TRADE DATE	SHARES SOLD	SALE PRICE	AMOUNT	
	1970				1970				
	1/6	100	41 1/2	4150 —					
	1/6	700	41 3/8	28962 50					
	1/7	212	41	8692 —	1/7	1200	45	53940 —	LOEB RHOADES A/C JAFFEE
					1/9	1000	45	44950 —	LOEB RHOADES A/C JAFFEE
	1/8	50	41	2050 —					
	1/9	100	41	4100 —					
	1/12	200	41	8200 —					
	1/14	82	40 1/2	3321 —					
	1/14	100	41	4100 —					
	1/14	600	42	25200 —					
	1/16	525	40	21000 —					
	1/16	100	41	4100 —					
	1/16	1500	41	61500 —					
	1/16	300	41	12300 —					
	1/16	56	40	2240 —					
(AS OF 12/31/69)	1/19	300	41	12300 —					
	1/19	200	41	8200 —	1/19	1000	44 1/2	44500 —	LOEB RHOADES A/C JAFFEE
	1/19	23	40 1/2	931 50	1/19	1000	44 1/2	44500 —	LOEB RHOADES A/C JAFFEE
	1/20	200	41 1/2	8300 —					
	1/20	100	42	4200 —					
	1/21	100	41 1/2	4150 —					
					1/26	2000	44	87900 —	LOEB RHOADES A/C JAFFEE
					1/26	1500	44	65925 —	LOEB RHOADES A/C JAFFEE
					1/26	1300	44	57135 —	LOEB RHOADES A/C JAFFEE
	1/28	100	41 1/2	4150 —					
	1/29	81	40 1/2	3280 50					
	1/30	500	39	19500 —					
	1/30	25	40 1/2	1012 50					
	1/30	156	40 1/2	6318 —					
	1/30	100	39 1/2	3950 —					

ONLY COPY AVAILABLE

SCHEDULE OF NEW DIMENSION SECURITY'S FIRM TRADING ACCOUNT
PURCHASES AND SALES OF NEW DIMENSION CO COMMON STOCK
FROM 12/4/69 TO 4/23/70

A/C TRADE DATE	DIMENSION SECS. SHARES BOUGHT	DIMENSION SECS. PURCHASE PRICE	DIMENSION SECS. AMOUNT	FIRM TRADING ACCOUNT TRADE DATE	SHARES SOLD	SALE PRICE	AMOUNT	TO WHOM SOLD
1970			$	1970				
2/2	100	39	3900 —					
2/4	4400	37	162800 —					
2/4	100	39 1/2	3950 —					
2/4	100	40 1/2	4050 —					
2/4	100	40	4000 —					
2/4	200	38 1/2	7700 —					
2/5	200	40 1/2	8100 —					
2/5	100	40	4000 —					
2/6	1000	40	40000 —	2/6	3000	42	125850 —	LOEB RHOADES A/C JAFFEE
				2/6	3000	42	125850 —	LOEB RHOADES A/C JAFFEE
				2/6	3000	42	125850 —	LOEB RHOADES A/C JAFFEE
2/9	500	40 1/2	20250 —					
2/9	2000	40	80000 —	2/9	400	43	17180 —	LOEB RHOADES A/C JAFFEE
2/10	108	40 1/2	4374 —					
2/11	62	40 1/2	2511 —					
2/11	147	40 1/2	5953 50					
2/11	1200	40	48000 —					
2/13	200	40	8000 —					
2/13	1300	40	52000 —					
2/13	2000	40	80000 —					
2/13	100	43	4300 —	2/13	1000	45	44950 —	LOEB RHOADES A/C JAFFEE
2/13	500	42 1/2	21250 —	2/13	1000	45	44950 —	LOEB RHOADES A/C JAFFEE
2/16	200	43 1/2	8700 —					
2/16	200	42 1/2	8500 —					
2/17	300	42 1/2	12750 —					
2/17	200	43	8600 —					
2/17	200	42 1/2	8500 —					
2/18	300	43	12900 —					
2/19	300	42 1/2	12750 —					
2/19	500	43 1/2	21750 —					

ONLY COPY AVAILABLE

SCHEDULE OF NEW SIMMONS SECURITIES FIRM TRADING ACCOUNT
PURCHASES AND SALES OF RICHARD PECKING CO. COMMON STOCK
FROM 12/4/69 TO 4/23/70

NEW DITCH STOCKS.				FIRM TRADING ACCOUNT				
TRADE DATE	SHARES BOUGHT	PURCHASE PRICE	AMOUNT	TRADE DATE	SHARES SOLD	SALE PRICE	AMOUNT	TO WHOM SOLD
1970				1970				
2/20	100	43½	4050 –					
2/20	1450	40	58000 –					
2/24	500	43	21500 –	2/24	1000	46	45950 –	LOEB RHOADES A/C JAFFEE
				2/24	1000	46	45950 –	LOEB RHOADES A/C JAFFEE
2/25	200	42	8400 –					
2/25	100	42	4200 –					
2/25	156	41½	6474 –					
3/2	200	43½	8700 –					
3/4	200	43½	8700 –					
3/5	156	43	6708 –					
3/5	100	43	4300 –					
3/6	400	43	17200 –					
3/9	103	42	4326 –					
				3/10	200	42½	8490 –	ALESSANDRINI & CO.
3/12	100	42	4200 –					
3/13	476	41½	19754 –					
3/13	38	41	1558 –					
3/13	100	41½	4150 –					
3/16	300	41½	12450 –					
				3/17	1100	43	47245 –	LOEB RHOADES A/C JAFFEE
3/17	112	41	4592 –	3/17	1000	43	42950 –	WEIS, VOISIN & CAUNON
				3/18	500	43	21475 –	MULTI-VEST SECURITIES
3/23	47	41½	1950 50					
3/23	100	41½	4150 –					
3/26	62	40½	2511 –					
3/30	100	41½	4150 –					
3/30	100	41	4100 –					

97B

ONLY COPY AVAILABLE

SCHEDULE OF HEW GINSBERG SECURITIES FIRM TRADING ACCOUNT PURCHASES AND SALES OF RICHARD PACKING CO. COMMON STOCK. FROM 12/4/69 TO 4/23/69

NEW YORK DATE	PURCHASE SHARES BOUGHT	PURCHASE PRICE	PURCHASE AMOUNT	IRE TRADE DATE	TRADING ACCOUNT SHARES SOLD	SALE PRICE	SALE AMOUNT	TO WHOM SOLD
1970				1970				
4/2	400	40½	16200 —					
4/2	100	40	4000 —					
4/2	200	40½	8100 —					
4/3	100	40	4000 —					
4/3	200	38½	7700 —					
4/7	100	36	3600 —					
4/7	250	36½	9125 —					
4/7	100	33½	3350 —					
4/7	300	36½	10950 —	4/7	500	37	18475 —	LOEB RHOADES A/C JAFFEE
4/10	100	33	3300 —					
4/10	100	32½	3250 —					
4/10	200	33½	6700 —					
4/10	100	33½	3350 —					
4/13	100	29	2900 —					
4/14	317	28½	9034 50	4/14	1000	29½	29450 —	LOEB RHOADES A/C JAFFEE
				4/14	500	29½	14725 —	LOEB RHOADES A/C JAFFEE
4/15	468	27½	12870 —					
4/15	292	28	8176 —					
4/15	100	28	2800 —					
				4/16	1000	29½	29450 —	LOEB RHOADES A/C JAFFEE
4/17	100	28½	2850 —					
4/20	100	28½	2850 —					
4/20	500	25½	12750 —					
4/21	200	26	5200 —					
4/21	125	26	3250 —					
4/22	200	23	4600 —					
4/22	100	26½	2650 —	4/22	200	25	4990 —	LOEB RHOADES A/C JAFFEE
4/22	266	24	6384 —	4/22	300	26	7785 —	LOEB RHOADES A/C JAFFEE
4/23	300	21½	6450 —					
TOTALS	43608 SHS.		1898434 —		47200 SHS		2002590 —	
4/21/70 TRF. J.E.							287425	
FIRM TRADING PROFIT			107039 25					
			2005473 25				2005473 25	

ONLY COPY AVAILABLE

SCHEDULE OF [illegible] SECS. FIRM TRADING PROFIT
PURCHASES AND SALES OF RICHARD PACKING CO. COMMON STOCK
FROM 12/4/69 TO 4/23/70

COMPUTATION OF NEW DIMENSION SECS. FIRM TRADING PROFIT:

TOTAL CREDITS ON SALES OF RICHARD PACKING SHARES	2002570 —
PLUS: CREDIT JOURNAL ENTRY 4/21/70	2894 25
	2005464 25
LESS: TOTAL DEBITS ON PURCHASES OF RICHARD PACKING SHARES	1898434 —
FIRM TRADING PROFIT	107030 25

2018

ONLY COPY AVAILABLE

GOVT. EXHIBIT 84--LETTER

MAR 30 1970

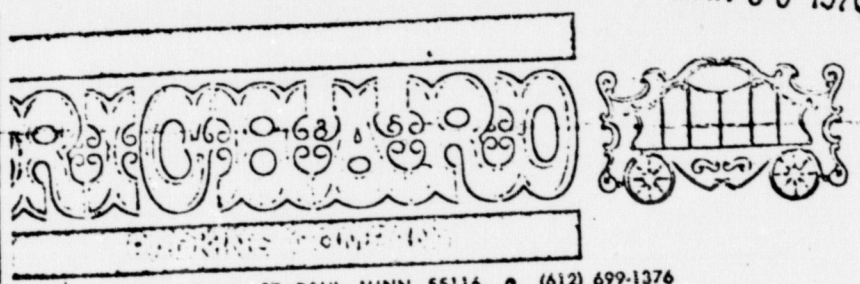
2019

GA 33b - 475
(D. 4-23-71)

CONFIDENTIAL

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

84



CLEVELAND AVENUE • ST. PAUL, MINN. 55116 • (612) 699-1376

March 19, 1970

Bass & Company
111 Broadway
New York, N. Y.
Mr. John Oligivie

Dear John,

Lybrand, Ross Bros. & Montgomery will be mailing you a copy of the financial statement, which you inturn will incorporate in your total year end statement package.

I want the finished year end statment to be mailed to Richard Packing Company, 790 So. Cleveland at the cheapest rate of mailing.

We will distribute them to stock holders from this office.

I DO NOT wish this statement to be distributed to any media whatsoever. Only our stock holders are receiving this report and we will do that distributing. Please make sure these instructions are followed to the letter. Please call me if you have any further suggestions.

Sincerely,

Milton Cohen

ONLY COPY AVAILABLE

ED. 4-23-71)

GOVERNMENT

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
85A

2020

GOVT. EXHIBIT 85

MAR 25 1970

790 SOUTH CLEVELAND AVENUE • ST. PAUL, MINN. 55116 • (612) 699-1376

March 17, 1970

Bass & Company
111 Broadway
New York, N. Y.
Mr. John Oligivie

Dear John,

Have enclosed proof of letter to shareholders with one correction on the first page, changing the number of restaurants in construction from three to ten. On the second page you will note various middle initial inserts on two names and a correction of spelling for the General Counsel. The certified figure you will receive this week. Please check this letter with Bernard Deutsch before printing. This is important John.

Sincerely,

MC

Milton Cohen

MC/gs
Encl.

ONLY COPY AVAILABLE

SCHEDULE OF V. F. NAPOLO & CO PURCHASES AND SALES
OF RICHARD PACKING CO. COMMON STOCK

USA 33s-475
(ED. 4-23-71)

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

86-A

TRADE DATE	V.F. NAPOLO & CO. FIRM TRADING ACCT. SHARES BOUGHT	SOLD	PRICE	BROKER PURCHASED FROM	BROKER SOLD TO
3/21/69	300		34	HIRSCH & Co.	
3/21/69		100	36		WEIS VOISIN & CANNON
3/21/69		500	34		LOEB RHOADES - JAFFEE
3/24/69		200	34		LOEB RHOADES - JAFFEE
3/25/69		1200	32		LOEB RHOADES - JAFFEE
3/25/69		1800	34		LOEB RHOADES - JAFFEE
3/27/69		400	35		HORNBLOWER & WEEKS
3/28/69	3000		32 7/8	KELLY ANDREWS & BRADLEY	
4/1/69	100		34	HARRIS, UPHAM & Co	
4/3/69	400		31 1/2	GEMMA SECURITIES	
4/3/69		500	33 1/4		LOEB RHOADES - JAFFEE
4/10/69	50		30	M.A. [illegible] CALIF.	
4/14/69	100		32	LEY, FOSTER, W, LE	
4/15/69	100		32	LOEB RHOADES	
4/15/69	500		32	BURNHAM & Co.	
4/15/69		500	33		LOEB RHOADES - JAFFEE
4/16/69	100		32	LOEB RHOADES	
4/16/69	100		32	A.G. BECKER	
4/21/69	100		32	CHARTER SECURITIES	
4/22/69	100		32	GARDNER SECURITIES	
4/22/69		100	33		LOEB RHOADES - JAFFEE
4/23/69		300	33		LOEB RHOADES - JAFFEE
4/30/69	400		35 1/2	CHARTER SECURITIES	
4/30/69	30		34	WALLARD, CHICAGO	
4/30/69	20		35	CHARTER SECURITIES	
4/30/69	100		35	PIPER, JAFFRAY & H, MINN	
4/30/69		400	36		LOEB RHOADES - JAFFEE
4/31/69		200	36		LOEB RHOADES - JAFFEE

2021

EXHIBIT 86--SCHEDULE

ONLY COPY AVAILABLE

SCHEDULE OF V. F. NADDEO & CO PURCHASES AND SALES
OF RICHARD PACKING CO. COMMON STOCK

TRADE DATE	V.F NADDEO-CO- FIRM TRADING A/C SHARES BOUGHT	SOLD	PRICE	BROKER PURCHASED FROM	BROKER SOLD TO
5/ 1/69	100		36	E.F. HUTTON	
5/ 1/69	100		36	CHARTER SECURITIES	
5/ 1/69	100		36	E.F. HUTTON	
5/ 1/69	33		35	DELAFIELD & DELAFIELD	
5/ 1/69		500	37		LOEWI & Co, MIL.
5/ 1/69		50	37		WOODARD ELWOOD
5/ 1/69		100	36 1/2		E.F. HUTTON
5/ 2/69	159		36	JOHN STEPHENS, MINN.	
5/ 6/69	33		38 1/2	LOEB RHOADES	
5/ 6/69		50	42		GEMMA SECURITIES
5/ 7/69	242		41	H. WEIL	
5/ 7/69	50		41	E.F. HUTTON	
5/ 7/69	100		41	E.F. HUTTON	
5/ 7/69	1000		41	CHARTER SECURITIES	
5/ 7/69	680		40	CHARTER SECURITIES	
5/ 7/69	100		41	E.F. HUTTON	
5/ 7/69	420		40	CHARTER SECURITIES	
5/ 7/69	100		41	W.E. HUTTON	
5/ 7/69		300	41 1/2		LOEB RHOADES - JAFFEE
5/ 7/69		500	41 1/2		LOEB RHOADES - JAFFEE
5/ 7/69		1700	41 1/2		LOEB RHOADES - JAFFEE
5/ 8/69	100		41	E.F. HUTTON	
5/ 8/69	100		41	E.F. HUTTON	
5/ 8/69	100		40 1/2	CHARTER SECURITIES	
5/ 9/69		300	41 1/2		LOEB RHOADES - JAFFEE
5/ 9/69		100	42		H. HENTZ & Co.
5/ 9/69	400		41	FILOR, BULLARD - BRYFOG	
5/ 9/69	100		41	FILOR, BULLARD - BRYFOG	
N/O 5/22 5/ 9/69		300	33		LOEB RHOADES - JAFFEE
5/ 9/69		100	41 1/2		LOEB RHOADES - JAFFEE
5/ 9/69		500	41 1/2		LOEB RHOADES - JAFFEE
5/13/69	20		41 1/2	GOODBODY & Co.	
5/13/69	380		43	REYNOLDS & Co.	
5/14/69		600	43		CHARLES PLOHN
5/14/69		600	47		LOEB RHOADES - JAFFEE
5/ 4/69		100	46		CHARLES PLOHN
5/15/69	100		48	W.C.B.	
ap.w 5/17 5/15/69	10		40	H. WEEKS	

2022

ONLY COPY AVAILABLE

2023

SCHEDULE OF V. F. NADDEO + CO PURCHASES AND SALES
OF RICHARD PACKING CO. COMMON STOCK

TRADE DATE	V.F. NADDEO + CO - FIRM TRADING A/C SHARES BOUGHT	SOLD	PRICE	BROKER PURCHASED FROM		BROKER SOLD TO
5/15/69		100	50			REYNOLDS + Co
5/15/69		100	51			CHARLES PLOHN
5/15/69		15	50			PAINE WEBER, MINN
5/15/69		100	49			CHARLES PLOHN
5/16/69	100		49	BLOGT + Co	.	
5/16/69	100		51	D. TAJER, LA.	.	
5/16/69	200		48	VAN ALSTYNE NOEL	(CTL)	
5/16/69	100		49	H. HENTZ + Co.	.	
5/16/69	400		52	SHEINMAN, HOCHSTEIN	.	
5/16/69	150		52	SHEINMAN, HOCHSTEIN	.	
5/16/69		40	51			DAN, KALMAN, MINN
5/16/69		100	52			REYNOLDS + Co.
5/19/69	100		52	E.F. HUTTON	.	
5/19/69	200		53	JOSEPHTHAL + Co.	.	
5/19/69	42		52½	H. WEIL	.	
5/19/69		200	52½			LOEB RHOADES - JAFFEE
5/20/69	20		51½	PAINE WEBER	.	
5/20/69	100		52¾	LOEB RHOADES - JAFFEE	.	
5/20/69	100		52	F.I. DU PONT, CHI	.	
5/20/69		400	53½			LOEB RHOADES - JAFFEE
5/20/69		20	55			PAINE WEBER, MINN.
5/21/69	200		48½	VAN ALSTYNE NOEL	.	
5/21/69		200	48		(CTL)	VAN ALSTYNE NOEL
5/21/69		100	52½			LOEB RHOADES - JAFFEE
5/21/69	100		52	WHITE WELD	.	
5/21/69	50		52	MERIT INVESTORS	.	
5/21/69	25		51½	PAINE, WEBER	.	
5/22/69	100		52	PACKER WALDUM	.	
5/22/69	200		52	N.Y. HANSEATIC	.	
5/22/69	100		52	REYNOLDS + Co	.	
5/22/69	50		52	MC ELT. INVESTORS	.	
5/22/69		200	52½			LOEB RHOADES - JAFFEE
5/22/69		100	52½			LOEB RHOADES
5/22/69		100	52½			LOEB RHOADES - JAFFEE
5/22/69		100	52½			LOEB RHOADES - JAFFEE
5/23/69	100		52	ARCADES + Co.	.	
5/23/69	100		51½	BACHE + Co.	.	
5/23/69	50		51½	SCH SEC. CHI	.	
5/23/69		60	53			STERN FRANK, LA.

ONLY COPY AVAILABLE

SCHEDULE OF E. F. HUTTON & CO. PURCHASES AND SALES
OF RICHARD PACKING CO. COMMON STOCK

TRADE DATE	E. F. HUTTON & CO. - FIRM TRADING A/C SHARES BOUGHT	SHARES SOLD	PRICE	BROKER PURCHASED FROM	BROKER SOLD TO
5/26/69		100	54		KINGSLEY, CIDON, W
5/26/69		38	55		EBBINS, ROBERTSON, MOU
5/26/69	100		52	PACKER, WILBUR	
5/26/69	100		53	N.Y. HANSEATIC	
5/27/69	100		42	E.F. HUTTON & CO.	
5/27/69	75		40½	CHARTER, PLANNING	
5/28/69	100		42	AUCHINCLOS, PARKER & R.	
5/28/69	200		42	AUCHINCLOS, PARKER & R.	
6/2/69	35		42	EBIN, ROBERTS	
6/2/69	1500		42	BACHE & CO.	
6/2/69	1625		42	WOOD, WALKER	
6/2/69		1600	42½		LOEB RHOADES - JAFFEE
6/2/69		100	45		CHARLES PLOHN
6/2/69		1500	42½		LOEB RHOADES - JAFFEE
6/4/69	100		43	HUGH GEE ASSOCIATES	
6/5/69	100		43	W.E. HUTTON	
6/6/69	300		43	C.G. RICHARD, ELLIS	
6/6/69	350		43	C.G. RICHARD, ELLIS	
6/6/69	125		43	WEIS, VOISIN & CANNON	
6/6/69		800	43½		LOEB RHOADES - JAFFEE
6/6/69		120	45½		SUFFIE, MOSLEY
6/7/69	100		43	KAREN & CO.	
6/10/69	250		43	LOVE, DOUGLAS	
6/10/69		200	43½		LOBE RHOADES - JAFFEE
6/10/69		300	43½		LOEB RHOADES - JAFFEE
6/11/69	250		42	E.F. HUTTON	
6/11/69	375		42	E.F. HUTTON	
6/11/69	625		41½	BLAIR & CO	
6/11/69		400	42¼		LOEB RHOADES
6/11/69		300	42½		LOEB RHOADES - JAFFEE
6/11/69		600	42		LOEB RHOADES - JAFFEE
6/12/69	2750		41	GRAHAM, LOVING	
6/12/69	500		41	GRAHAM, LOVING	
6/12/69	500		41	GRAHAM, LOVING	
6/12/69		2750	41½		LOEB RHOADES - JAFFEE

2024

ONLY COPY AVAILABLE

SCHEDULE OF V.F. HADDEN & CO. PURCHASES AND SALES
OF RICHARD PERKINS CO. COMMON STOCK

TRADE DATE	V.F. HADDEN & CO. FIRM TRADING A/C SHARES BOUGHT	SOLD	PRICE	BROKER PURCHASED FROM	BROKER SOLD TO
6/12/69		1,000	42		LOEB RHOADES - JAFFEE
6/12/69		50	41 1/2		LOEB RHOADES - JAFFEE
6/13/69	50		41	SHEINMAN HOCHSTEIN	
6/13/69		100	42 1/2		MAYER & SCHWEITZER
6/13/69		100	43		HORNBLOWER & WEEKS
6/16/69	250		41 1/2	FIRST HANOVER	
6/16/69	100		42	MERRILL LYNCH	
6/16/69		100	42 1/2		LOEB RHOADES - JAFFEE
6/17/69	125		42	MERKIN - H.L. FEDDERMAN	
6/17/69		100	42 1/2		LOEB RHOADES - JAFFEE
6/18/69	100		42	BATEMAN, EICHLER	
6/18/69	50		42	C. TAGGART, PHILA	
6/18/69	200		41 3/4	SMITH BARNEY	
6/18/69	125		42	MERKIN - H.L. FEDDERMAN	
6/18/69	125		42	LOVE, DOUBLAS	
6/18/69		100	42 1/2		LOEB RHOADES - JAFFEE
6/18/69		200	42 1/2		LOEB RHOADES - JAFFEE
6/18/69		200	42 1/2		LOEB RHOADES - JAFFEE
6/18/69		100	42 1/2		LOEB RHOADES - JAFFEE
6/20/69	200		42	CLARK DODGE	
6/20/69		200	42 1/2		LOEB RHOADES - JAFFEE
6/20/69		25	43 1/2		HAYDEN STONE
6/24/69	250		42	LOEWI & CO, MILWAUKEE	
6/24/69	127		42	HIRSCH & CO.	
6/24/69		300	42 1/2		LOEB RHOADES - JAFFEE
6/24/69		100	42 1/2		LOEB RHOADES - JAFFEE
6/25/69	250		42	WALSTON & CO.	
6/25/69	100		42	PAINE WEBER, MINN.	
6/25/69		100	42 1/2		LOEB RHOADES - JAFFEE
6/25/69		200	42 1/2		LOEB RHOADES - JAFFEE
6/26/69	1000		42	WALSTON & CO.	
6/26/69	250		42	WALSTON & CO	
6/26/69		1000	42 1/2		LOEB RHOADES - JAFFEE
6/26/69		300	42 1/2		LOEB RHOADES - JAFFEE
7/1/69	50		42 1/2	VILAS & HICKEY	

ONLY COPY AVAILABLE

SCHEDULE OF V.F. WADDELL & CO. PURCHASES AND SALES OF RICHDEL PACKING CO. COMMON STOCK

2026

TRADE DATE	V.F. WADDELL & CO. - FIRM TRADING A/C SHARES BOUGHT	SOLD	PRICE	BROKER PURCHASED FROM	BROKER SOLD TO
7/ 2/69	40		42½	HORNBLOWER & WEEKS	
7/ 2/69	100		42½	LOEWI & Co, MILWAUKEE	
7/ 3/69	37		42½	P.F. & L	
7/ 3/69	25		42	PAINE, WEBER, J & C.	
7/ 3/69		200	43		LOEB RHOADES - JAFFEE
7/ 5/69	200		42¼	BLAIR & Co.	
7/ 5/69	25		42¼	COTZIN, MANGANO	
7/ 5/69	100		42½	WOODARD, ELWOOD	
7/ 5/69	25		42	SMITH, BARNEY	
7/ 5/69	50		42	BLAIR & Co	
7/ 6/69	50		42½	CLARK DODGE	
7/ 6/69	125		42	WALSTON & Co	
7/ 7/69		200	43		LOEB RHOADES - JAFFEE
7/ 7/69		200	43		LOEB RHOADES - JAFFEE
7/ 7/69	125		41½	DEAN WITTER	
7/ 7/69	100		42	N.Y. HANSEATIC	
7/ 7/69	25		41	AUCHINCLOSS, PARKER & R.	
7/ 9/69	12		41½	VILAS & HICKEY	
7/ 9/69	1		41	A.G. BECKER, C.M.L	
7/ 9/69		500	42¾		V.F. WADDELL (ERROR?)
7/10/69	300		41¼	WOOD WALKER	
7/10/69	50		41½	DAIN, KALMAN & Co.	
7/10/69	300		41	LOEWI, MILWAUKEE	
7/10/69		300	42		V.F. WADDELL (ERROR?)
7/10/69		100	41½		V.F. WADDELL (ERROR?)
7/10/69		200	41¼		LOEB RHOADES - JAFFEE
7/14/69	1		41	GEMMA SECS.	
7/14/69	1		41	LOEWI, MILWAUKEE	
7/14/69	200		42	LOEWI, MILWAUKEE	
7/14/69		200			LOEB RHOADES - JAFFEE
7/16/69	125		42	SHIELDS & Co.	
7/16/69		100	42½		LOEB RHOADES - JAFFEE
7/18/69	25		44	THOMSON & McKINNON	
7/21/69	1		43	LOEB RHOADES	

ONLY COPY AVAILABLE

2027

SCHEDULE OF W. E. HUTTON & CO. PURCHASES AND SALES
OF RICHARD PACK MFG CO. COMMON STOCK

TRADE DATE	W. E. HUTTON & CO. - FOR TREASURY A/C SHARES BOUGHT	SOLD	PRICE	BROKER PURCHASED FROM	BROKER SOLD TO
7/22/69		63	46		PAINE, WEBB.
7/23/69	250		45	PAINE WEBBER, MINN	
7/23/69	25		44½	HORNBLOWER & WEEKS	
7/23/69	1		44	WOODARD, ELWOOD	
7/23/69		300	46		LOEB RHOADES - JAFFEE
7/25/69	115		45	EDWARDS & HANLEY	
7/25/69		100	46		LOEB RHOADES - JAFFEE
7/28/69	200		37	N.Y. HANSEATIC	
7/28/69	200		37	N.Y. HANSEATIC	
7/28/69	100		37	N.Y. HANSEATIC	
7/28/69		100	37½		LOEB RHOADES - JAFFEE
7/28/69		200	37½		LOEB RHOADES - JAFFEE
7/29/69		200	37½		LOEB RHOADES - JAFFEE
7/30/69	500		36	BURNHAM & CO.	
7/30/69	250		36	BURNHAM & CO.	
7/30/69	500		36	BURNHAM & CO.	
7/30/69		500	36½		LOEB RHOADES - JAFFEE
7/30/69		300	36½		LOEB RHOADES - JAFFEE
7/30/69		500	36½		LOEB RHOADES - JAFFEE
7/31/69	3		35	MC KEE, PITTSBURGH	
8/4/69		100	39		WOODARD, ELWOOD
8/5/69	66		38	LOEWI, MIL.	
8/6/69	6		39	LOEB RHOADES	
8/6/69		85	43		N.Y. HANSEATIC
8/6/69		100	42		HORNBLOWER & WEEKS
8/8/69		50	42		SUPPLE, MOSLEY
8/11/69	125		40	PRESSMAN, FROHLICH & F.	
8/11/69	250		40	PRESSMAN, FROHLICH & F.	
8/11/69		100	40		LOEB. RHOADES - JAFFEE
8/12/69	100		39	ALLESANDRINI & CO.	
8/12/69		60	42		WOODARD, ELWOOD
8/12/69		7	43		WOODARD, ELWOOD
8/12/69		100	39½		LOEB RHOADES - JAFFEE

ONLY COPY AVAILABLE

2028

SCHEDULE OF V. F. HADDEN & CO. PURCHASES AND SALES OF RICHMOND PACKING CO. COMMON STOCK

TRAD. DATE	V. F. HADDEN & CO. - FIRM TRADING A/C SHARES BOUGHT	SOLD	PRICE	BROKER PURCHASED FROM	BROKER SOLD TO
3/14/69	50		39	LOEWI, MILWAUKEE	
3/18/69	100		40	LOEWI, MIL.	
3/18/69	400		39½	LOEWI, MIL.	
3/18/69		90	41½		JOHN STEPHENS & CO.
3/20/69	35		39	SUTRO & CO, LA.	
3/21/69	300		37	BLAIR & CO.	
3/21/69	140		39	C.S. McKEE & CO, PITTS.	
3/21/69	250		39	THE BOYER CO.	
3/21/69		300	39		LOEB RHOADES - JAFFEE
3/21/69		200	40		LOEB RHOADES - JAFFEE
3/25/69		12	41		WOODARD, ELWOOD
3/26/69	306		38	LOEWI, MILW.	
3/26/69		300	38½		LOEB RHOADES - JAFFEE
3/27/69	125		38	LOEWI, MILW.	
3/27/69		200	38½		LOEB RHOADES - JAFFEE
3/28/69		7	41		WOODARD, ELWOOD
4/2/69	100		38	HADDEN (CORRR ?)	
4/2/69		141	40		WOODARD ELWOOD
4/3/69	6		38	WOOD WALKER	
4/3/69	50		38½	AREA JAFFRAY, MINN.	
4/3/69	400		38¾	C.S. McKEE, PITTS.	
4/3/69	100		38½	C.S. McKEE, PITTS.	
4/3/69		500	39		LOEB RHOADES - JAFFEE
4/5/69	100		38½	INVEST & TRUST	
4/8/69	150		39½	BACON, WHIPPLE	
4/8/69	100		39½	SUPPLE, MOSLEY, PHILA.	
4/8/69	30		39½	WOODARD, ELWOOD	
4/8/69		200	40		LOEB RHOADES - JAFFEE
4/8/69		100	40		LOEB RHOADES - JAFFEE
4/9/69	50		39½	LOEWI, MILWAUKEE	
4/9/69		100	40		LOEB RHOADES - JAFFEE

ONLY COPY AVAILABLE

SCHEDULE OF V.F. HAVENS & Co. PURCHASES AND SALES OF RICHLAND PACKING CO. COMMON STOCK.

TRADE DATE	V.F. HAVENS & CO. FIRM TRADING A/C SHARES BOUGHT	SHARES SOLD	PRICE	BROKER PURCHASED FROM	BROKER SOLD TO
9/ /69	231		40	LOEB RHOADES - JAFFEE	
9/10/69		300	40 1/4		LOEB RHOADES - JAFFEE
9/ 1/69	200		41	KELLY ANDREWS & BRADLEY	
9/ 2/69	300		40	HAMS SECURITIES	
9/ 2/69	25		40	WOODARD ELWOOD	
9/ 2/69	1		39	LOCWI & Co.	
9/ 2/69	500		40	HAMS SECURITIES	
9/12/69		300	40 1/2		LOEB RHOADES - JAFFEE
9/12/69		700	40 3/4		LOEB RHOADES - JAFFEE
9/ 5/69	312		41	WALSTON & Co.	
9/ 5/69	2		40	ODIN, WITTER	
9/ 5/69		300	43		LOEB RHOADES
9/ 5/69	312			WALSTON & Co.	
9/ 5/69		300	43		LOEB RHOADES
9/17/69	1		38	ENGLER & BUDD	
9/17/69		12	42		KELLY ANDREWS & BRADLEY
9/19/69		300	42		LAIRD, BISSEL & MEEDS
9/19/69		200	42		LAIRD, BISSEL & MEEDS
9/19/69		5	43		ODIN, KALMAN
9/22/69	100		41 1/2	MAYER & SCHWEITZER	
9/22/69	400		42 1/2	MAYER & SCHWEITZER	
9/25/69	200		42 1/4	W.E. HUTTON A/C HAROLD, KATTOR, HEROLD	
9/25/69		100	44		MORRIS COHEN
9/26/69	100		43	MOORE & SHLEY	
9/26/69	90		43 1/2	WALSTON & Co.	
9/26/69		300	44		LOEB RHOADES - JAFFEE
9/30/69	50		43	CHARTER SECS.	
9/30/69	112		43	W.E. HUTTON A/C HAROLD, KATTOR, HEROLD	
9/30/69		56	46		MAYER & SCHWEITZER
9/30/69		200	43 1/2		LOEB RHOADES - JAFFEE

2030

SCHEDULE OF V.F. NADDO & CO. PURCHASES AND SALES
OF RICHMOND PACKING CO. COMMON STOCK

TRADE DATE	V.F. NADDO & CO. - FIRM TRADING A/C SHARES BOUGHT	SHARES SOLD	PRICE	BROKER PURCHASED FROM	BROKER SOLD TO
10/ 1/69	225		43	LOEB RHOADES - JAFFEE	
10/ 1/69	10		42	J. SHAPIRO, MINN.	
10/ 1/69		300	43 1/2		LOEB RHOADES, JAFFEE
10/ 7/69		62	45		LOEWI, MILWAUKEE
10/ 7/69	100		42	NADDO (ERROR ?)	
10/ 7/69	100		43	H. WEEKS, CHI.	
10/ 9/69	297		42	WOODARD ELWOOD	
10/ 9/69	156		42	WOODARD ELWOOD	
10/ 9/69		300	42 1/2		LOEB RHOADES - JAFFEE
10/ 9/69		200	43 1/2		LOEB RHOADES - JAFFEE
10/ 9/69		200	42 1/2		LOEB RHOADES - JAFFEE
10/10/69	31		42	LOEB RHOADES - JAFFEE	
10/11/69	50		42	BOETTCHER, DENVER	
10/13/69	31		41 1/2	LOEWI, MILWAUKEE	
10/13/69	152		42	C.S. MCKEE, PITTS.	
10/13/69		100	42 1/2		LOEB RHOADES - JAFFEE
10/12/69	15		41 1/2	GOODBODY & CO.	
10/14/69		100	42 1/2		LOEB RHOADES - JAFFEE
10/15/69	100		41	V.F. NADDO (ERROR ?)	
10/15/69		100	41 1/2		LOEB RHOADES - JAFFEE
10/16/69	15		40 1/2	GOODBODY & Co.	
10/20/69	191		41	SUPPLE, MOSLEY	
10/20/69		200	41 1/2		LOEB RHOADES - JAFFEE
10/11/69	200		41	JOSEPHTHAL & Co.	
10/21/69		200	41 1/2		LOEB RHOADES - JAFFEE
10/22/69	100		41	NADDO - ERROR	
10/22/69	250		41	WOODARD ELWOOD	
10/22/69		542	43 1/2		WOOD WALKER
10/22/69		15	43		GOODBODY & Co.
10/22/69		300	41 1/2		LOEB RHOADES - JAFFEE

2031

[illegible] OF SHARES AND PURCHASES AND SALES
OF [illegible] PACKING CO [illegible]

TRADE DATE	V.F. NAGLER & CO - TRADING A/C SHARES BOUGHT	SOLD	PRICE	BROKER PURCHASED FROM	BROKER SOLD TO
10/27/69	100		41½	MERRIN & Co A/C H.L. FEDERMAN	
10/27/69	31		41	GOODBODY & Co.	
10/27/69		25	43		JOHN A. DAWSON, CHI.
10/28/69	38		41	DEAN WITTER & Co.	
10/29/69	61		41	WOODARD, ELWOOD	
10/29/69	300		41	ROBINSON & Co, PHILA.	
10/29/69		200	44		ALESSANDRINI & Co
10/29/69	2		43	ROBINSON & Co, PHILA	
10/30/69	53		44	McKELVY, PITTS.	
10/30/69	156		44	BACHE & Co	
10/30/69		500	44		ALESSANDRINI & Co.
10/31/69	43		43½	THOMSON & McKINNON	
11/4/69	132		43	WOODARD ELWOOD & Co	
11/4/69	156		43	ALBERT TELLER, PHILA	
11/4/69		100	44		ALESSANDRINI & Co
11/5/69	281		42½	LOEWI & Co, MILWAUKEE	
11/10/69		200	45		LOEB RHOADES
11/11/69	200		42½	WALSTON & Co.	
11/11/69		500	43		ALESSANDRINI & Co.
11/13/69	32		41½	C.S. McKEE	
11/13/69	38		41½	WOODARD ELWOOD	
11/13/69		400	42		ALESSANDRINI & Co
11/14/69	100		41½	PAINE WEBER JACKSON & CURTIS	
11/14/69		100	42		SHERWOOD SEC'S.
11/17/69	125		41½	WOOD WALKER & Co	
11/19/69		100	40		N.Y. HANSEATIC
11/19/69		500	40		ALESSANDRINI & Co
11/20/69	50		37½	WOODARD, ELWOOD	
11/20/69	100		39	M.H. BISHOP & Co, MINN.	

SALES BY ALESSANDRINI & CO.
(OF SHARES PURCHASED FROM V.F. NAGLER)

TRADE DATE	SHARES SOLD	SALE PRICE	TO WHOM SOLD
10/29/69	200	44½	LOEB RHOADES - JAFFEE
10/30/69	500	44½	LOEB RHOADES - JAFFEE
11/4/69	100	44½	LOEB RHOADES - JAFFEE
11/11/69	500	43½	LOEB RHOADES - JAFFEE
11/13/69	400	42½	LOEB RHOADES - JAFFEE
11/19/69	500	40½	LOEB RHOADES - JAFFEE

ONLY COPY AVAILABLE

SCHEDULE OF U.F. NADDEO & CO. PURCHASES AND SALES OF FISHMAN PACKING CO. COMMON STOCK

TRADE DATE	U.F. NADDEO & CO. FITTAENZAK SHARES BOUGHT	SHARES SOLD	PRICE	BROKER PURCHASED FROM	BROKER SOLD TO
11/21/69		30	39½		U.F. NADDEO (ERROR)
11/25/69	25		38	PAINE, WEBER, JACKSON & C.	
11/25/69		100	39		ALESSANDRINI & Co.
11/25/69		100	42		ALESSANDRINI & Co.
12/1/69	1[illegible]		41	LLOYD SECS.	
12/2/69	137		40	WOODARD ELWOOD	
12/2/69		200	41		ALESSANDRINI & Co.
12/9/69	22			GALANT, MURPHY & LOPEZ	
12/15/69	25			QUINN & Co, ALBUQUERQUE	
12/16/69		100	40		NEW DIMENSION SECS.
12/16/69		77	40		NEW DIMENSION SECS.

SALES BY ALESSANDRINI & Co (OF SHARES PURCHASED FROM U.F. NADDEO)			
	SHARES SOLD	SALE PRICE	TO WHOM SOLD
11/25/69	100	40	LOEB RHOADES-JAFFEE
11/25/69	100	42½	LOEB RHOADES-JAFFEE
12/2/69	200	41½	LOEB RHOADES JAFFEE

ONLY COPY AVAILABLE

GOVT EXH 83-C--PHONE MESSAGE, NEWS RELEASE AND FORM

GOVERNMENT'S
EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
87c

PHONE-O-GRAM for: JO

M Stanley Duboff of

☒ Telephoned ☒ Please return the call ☐ Will call again ☐ Came in ☐ See me

Message: It is ~~Ford~~ .53 shows and not
.053 on Richards

Phone: 425-3860 Date 4-6 Time 9:32 By bm

ONLY COPY AVAILABLE

2034

Richard Packing Co.
790 South Cleveland Avenue
St. Paul, Minnesota
(612) 699-1376

FOR IMMEDIATE RELEASE

RICHARD PACKING CO. ANNOUNCES TERMS OF TENDER OFFER FOR RICHARD FRANCHISE INVESTMENT STOCK

CONTACT: Gilbert R. Lahn
Bass and Company, Inc.
(212) 732-9150

St. Paul, Minnesota, March 17th -- Richard Packing Co. (OTC) today announced that the board of directors at its last meeting had agreed on the terms of a tender offer relating to the shares of Richard Franchise Investment, Inc., a company subsidiary. Richard Packing had announced on January 22nd that it planned to increase its ownership in Richard Franchise by means of a tender offer to stockholders.

Richard Packing President Milton Cohen, who made today's announcement, said that "the offer calls for an exchange of approximately $[illegible] in Richard Packing [illegible] for each Richard franchising share."

The board also decided that the tender offer will become effective when it will be least costly to Richard Packing. In addition, the offering will be made by a prospectus containing Richard Packing Co.'s financial statements for the fiscal year ended June 30, 1970 and according to the Security and Exchange Commission's requirements for such offerings.

Richard Packing is a meat packer and processor and through Richard Franchise, is a franchisor of the nation-wide chain of Circus Wagon fast food restaurants. Richard Packing has to date sold 210 franchises and is currently constructing ____ new Circus Wagon restaurants.

Richard Packing owns 400,000 shares, or 72 per cent of the presently outstanding shares of RFI. Future dilution through exercise of warrants would bring Richard Packing's ownership down to 59 per cent. Full conversion would reduce it to 46 per cent.

# # #
4873
1970

Richard Packing is obligated to redeem any shares of the company cannot consume an 82 per cent interest in Richard franchising.

ONLY COPY AVAILABLE

Form 6-12-69

2035

THIS FORM MUST BE COMPLETELY FILLED OUT FOR EVERY RELEASE WRITTEN

CLIENT Richard Parker LOG NO. 1873

RELEASE TITLE _____

Draft by CL Rough type ___ Client OK at Dr. Milton Cohen Bernard Dec. Co.

Edited by RF No OK Req. ___ c c. to 115 Hennepin

Rev. by _____ Return to A.E. ___ User OK Minneapolis, Minn 55401

SPECIAL HANDLING INSTRUCTIONS:

Copy to JM Bernard Distrib. Co. 50 Broadway NY NY

MEDIA CLASSIFICATION

BK	☑	LNS	☐	PR NEWSWIRE	DOW JONES	REUTERS	
FNE	☑	SDNY	☐	Read ☐	Read ☐	Read ☐	
INV	☑	MGM/NJ	☐	Mess. ☐	Mess. ☐	Mess. ☐	
MF	☑	EEBP	☐	TO BE READ BY TWX			
IND/TP	☐	REE	☐				
INS	☐	CB	☐	ADD TRADE CATEGORIES AS FOLLOWS:			
DVDS	☐	SM	☐				
EARNGS	☐	BA	☐				

SPECIAL CLIENT LIST Richard Parker

SPECIAL LIST (to be prepared by) _____

ONLY COPY AVAILABLE

GOVT EXHIBIT 89--ENVELOPE 2036

RICHARD

PACKING COMPANY

790 SO. CLEVELAND AVE. • ST. PAUL, MN. 55116

ANTOINETTE CLAYTON
C/O HUGH B. CLAYTON
140 SOUTH DEARBORN
CHICAGO, IL 60603

ONLY COPY AVAILABLE

GC
3501

GOVT EXH 3501 (Pages gh-2 through gh-4)

Deane

Q As a result of the conversations in which you said these particular stocks, these individuals would purchase? A Normally the people would ask what am I buying for my account. This is in general what they would prefer to purchase.

Q Did you interest institutions in these Deutsch stocks? A I believed I interested St. Croix Associates in them. I don't remember if there were any others. I think in the case of Financial Programs they had met, either met Mr. Deutsch or knew him prior to my talking to them about those stocks.

Q So, they became interested in the Deutsch stocks through the activity apart from your involvement, is that correct? A That's my interpretation of it. Could you be more precise on that?

Q Well, did you play a role in interesting Financial Programs in these Deutsch stocks? A Well, initially what I remember is Mr. Hurley called me and asked me about Mr. Deutsch and some of his companies in early 1969, and I believe asked me to come out to Denver, which I did, in late April or late February or early March, and evidently he was just checking up because somebody had referred -- I can only speculate as to who it was.

Q What did he say to you when he talked to you over the phone? A He said, Hugh -- first of all I had never met Mr. Hurley up to that point at Financial Programs; I found out later, I think it was yesterday, that he had worked there prior to the time he initially called me. I know most

ONLY COPY AVAILABLE

of the other portfolio managers out there reasonably well, then I just got a call from stranger. Mr. Hurley asked for Mr. Deane, it was at the time, what do you know about Bernie Deutsch. And, I said, well I have a number of friends on the street that seem to think he's pretty competent. I have only known him for a period of about six months; he seems to be doing a good job with certain companies; which companies are you interested in? I believe Combustion Equipment Associates and Richard Packing.

Q I can't hear you, Mr. Deane, I'm sorry?

A Richard Packing. You can't? Could I move over there? Would it be simpler?

Q I think if you just keep your voice up. A Okay.

Q On February 20, 1969, did you go out to Denver, Colorado? A Yes, I did. met Hurley

Q And, did you meet with individuals of Financial Programs on that date? A Well, it was either on that date or --

Q Shortly thereafter? A Either the day before or day after, yes.

Q Was that the first time you met John Hurley?

A Yes, it was, at least to the best of my recollection.

Q And, did you discuss Deutsch on that occasion with Hurley? A I believe so, as I recall we had a meeting at Financial Programs, and Mr. Hurley was there, possibly Mr. Anton and I think one other portfolio manager, and they asked me about I think, Combustion Equipment Associates and

ONLY COPY AVAILABLE

one or two others of Mr. Deutsch's stocks that I don't remember, I'm not sure which ones they were in that group now.

Q Was Richard Packing mentioned? A It's very possibly could have been but I'm not certain.

Q Prior to that occasion had you met Milton Cohen? A I'm trying to remember whether I met him, I think so. Yes, I must have, I don't remember exactly when.

Q Did there come an occasion when you met Mr. Cohen in Los Angeles? A Yes, it was right after the trip to Denver, I think if my memory serves me correctly, Monday night, which would have been Monday, the third, I flew out to Denver and stayed at the Beverly Hilton.

Q You mean Los Angeles? A Los Angeles, right, excuse me.

Q And, what did you discuss with Deutsch and Cohen in Los Angeles? A I believe at the time they had a prototype of a dune buggy for Richard Packing, or it was a Division of Richard Packing, I presume was Richard Packing, the plant was there. They had a prototype of the Dune Buggy itself, and also we discussed at that time, we discussed the potential prototype of the circus wagon, which was the original franchising idea of Richard Packing, and --

Q Now, you had met Cohen? A Excuse me?

Q Go ahead. A Also a few institutional people appeared, Mike Rappaport was there I think with Alumna (phonetics) Sales, I think two or three others I might have met Fred Carr there.

ONLY COPY AVAILABLE

FEDERAL—S-E 73-100M 7850

GH-1
Oct. '72

GOVT EXH 3516 (Pages from Shwidock testimony) 111 2040
November 16, 1973
Re: Acrite Industries
Spec.
Mr. Walker Bernard Shwidock

B E R N A R D S H W I D O C K, called as a witness, having been duly sworn by the Foreman of the Grand Jury, testified as follows:

BY MR. WALKER:

Q Mr. Shwidock, are you the same, Bernard Shwidock, who testified on November 8, 1973 in respect to transactions involving Acrite Industries? A Correct.

Q And, on that occasion you were advised of your rights, and I would like to quickly advise you of your rights again at this time: You have the right to refuse to answer any question you feel may incriminate you; anything you do say can be used against you in a Court of Law at a later time. You have the right to have counsel and you may consult with him outside the Grand Jury. In the event you cannot afford an attorney the Court will appoint an attorney to represent you, at which time we'll delay the proceedings until you have had full time to consult with him; and your testimony is under oath. Mr. Shwidock, in connection with the thirty-percent kickbacks to Deutsch and DuBoff with respect to Acrite Industries, have you determined from analyzing the books and records of Kelley, Andrews and Bradley, that approximately $3500 was paid back to Deutsch and DuBoff in connection with the underwriting, received for compensation, received from Kelley, Andrews and Bradley; and that approximately $13,000

was paid to Deutsch and DeDoff with respect to profits in the Kelley, Andrews and Bradley trading accounts, being thirty-percent of the Kelley, Andrews and Bradley trading account? A Mind repeating, -- the first, $9500 in respect to the underwriting compensation -- I think it was more than that. That is correct, yes, I'm sorry.

Q That's approximately correct? A That is correct.

Q And, the figure for the trading account would be approximately $18,000? A That is correct.

MR. WALKER: All right, I have no further questions for the witness at this time. Would you excuse the witness.

FOREMAN: You're excused subject to recall.

[WITNESS LEAVES ROOM]

GOVT. EXH. 3517--Pages from Shwidock Testimony)

2042

SA-1
Oct.'72 Sp.

November 16, 1973
Re: John Doe
Mr. Walker

Witn: Bernard Shwidock

B E R N A R D S H W I D O C K, called as a witness, and having been duly sworn by the Foreman of the Grand Jury, testified as follows:

BY MR. WALKER:

Q Mr. Shwidock, you have testified on earlier occasions before this Grand Jury, at which time you were advised of your constitutional rights. I would like to advise you at this time again that you have the right to refuse to answer any question that might tend to incriminate you and anything that you do say could be used against you in court at a later time. You have the right to have an attorney, to consult with that attorney outside of the Grand Jury room prior to answering any questions in these proceedings. And in the event that you cannot afford an attorney, the Government would be obliged to furnish you with an attorney free of cost. Your testimony is under oath, therefore, the penalties of perjury would apply to any wilfully false statement made by you. Now, Mr. Shwidock, early in the summer of 1969, did Deutsch and Duboff meet with you in connection with a business arrangement they wanted to enter into wherein they would, in effect, buy out Dan Driesman's interest in Kelly, Andrews and Bradley? A That is correct.

Q And what was the discussion at that time; who was present, the three of you? A Just the three of us, that is correct. They offered to buy out Dan Driesman's interest in Kelly, Andrews for the shares that was in the firm

and they would at that point take over a percent of the interest in the company and give me ten percent and put a nominee in some place.

Q Did they tell you that all of their business would go to Kelly, Andrews and Bradley? A Yes, that was the general idea, all their business would come through us.

Q You would be able to trade on your own; that is, you and Mr. Shwidock? A That is correct.

Q Did they emphasize to you how much better you would be, in terms of money that you would make? A By all means.

Q Did they say you would make greater salary, commission? A That is correct.

Q You would have a much larger volume of trading if you did this? A That is correct.

Q Did you ask them why they wanted to change when they had a good thing going as it was? A Yes. They were not thrilled about giving out 70 percent of the profits.

Q They wanted 90 percent? A That is correct.

Q Now, did Duboff tell you that they would not appear as principals of Kelly, Andrews and Bradley if the deal went through, but that their interest would be represented by a nominee? A That is right.

Q Did Duboff say that you would act as a front for them? A That is correct.

Q Did you discuss this with Dan Driesman? A I did.

Q And prior to doing that, did Duboff tell you that if you didn't go through with this deal that he would make other arrangements and that Kelly, Andrews and Bradley would be left out in the cold and get none of this business? A That is correct.

Q Did you then discuss this with Dan Friesman? A I certainly did.

Q Did Driesman and you, after your discussion, conclude that you didn't want to accept this proposition? A That is correct.

Q Thereafter did you inform Deutsch and Duboff of this fact? A Yes, we did.

Q You told them that you did not want to go through with it? A That is right.

Q Did Duboff say that is your loss? A That is just about what he said, yes.

Q During this whole period of time in 1969 and 1970, late 1968, you were in constant communication with Deutsch and Duboff, is that correct? A Oh, yes, that is correct.

Q Now, after you turned down Deutsch and Duboff's offer wherein they would take 90 percent of the interest of Kelly, Andrews and Bradley, having bought out Driesman, and leave you 10 percent, after that was rejected, did you hear a rumor that Deutsch and Duboff had formed a new corporation called New Dimension Securities? A That is correct.

Q In the fall of 1968 did you have a conversation

with Stan Duboff in which you asked him if New Dimension Securities was the name of his new firm? A That is right.

Q And did Duboff tell you that it was and that he had put Ryback in to represent Deutsch and Duboff and that this was the vehicle which they settled on? A That is right.

Q At that time did he say that Kelly, Andrews and Bradley would still get some trading business but not as much as before? A Yes, sir.

Q Thereafter, did you have any calls from Duboff directing you to buy or sell for the trading account or for other accounts which Duboff and Deutsch controlled? A Yes.

Q From New Dimensions? A Yes.

Q With New Dimensions on the other side? A With New Dimensions on the other side, that is correct.

Q Did you continue the thirty percent kickback arrangement with respect to Kelly, Andrews and Bradley trading account at this time? A Yes, I did.

Q But the volume wasn't as great, is that right? A That is right.

Q Did you meet Stanley Ryback? A I never met him.

Q Did you speak to him over the telephone? A Yes, I have.

Q And he impressed you as being rather new to the securities business? A Very.

Q Well, how -- Could you explain on that, please? A He was very naive, he really didn't understand securities business at all, he didn't know how to handle himself, he didn't know how to handle the trades. There was so many ways of telling a seasoned trader or neophyte. He was by all means a neophyte; he was completely green.

Q With respect to the trades that were conducted between Kelly, Andrews and Bradley and New Dimension Securities, they were all represented by Duboff representing Deutsch and Duboff? A That is correct.

Q And in these situations, after a trade was directed, would you from time to time call Ryback and confirm the fact of these trades? A Yes, we always did. I always called him or he called me to confirm a trade.

MR. WALKER: Would you excuse the witness, please.

THE FOREMAN: You are excused subject to recall.

(THE WITNESS LEAVES ROOM.)

this manner, before taxes, is that correct? A That is correct.

Q Did Kelly Andrews & Bradley have a significant number of trades in Richard Packing with Jaffee? A Yes sir, we did.

Q Did Kelly Andrews & Bradley trade in Richard Packing at the direction of Stanley Duboff? A That's correct.

Q That is, did you buy and sell Richard Packing as he directed you to? A That is correct.

Q Was there also a substantial amount of trading in certain individual accounts at Kelly Andrews & Bradley? A Yes sir, there was.

Q Did those accounts include the accounts in the name of Harry Morginstin and William Harris? A That's correct.

Q Were those trades directed by Duboff? A Yes, they were.

Q Deutsch and Duboff were a partnership, is that correct? In effect. That is, did you understand that they were acting together? A Yes. Yes.

Q Did you ever have conversations with Duboff concerning the profits that were being made in the morginstin and Harris accounts? A Yes sir, I did.

Q Did Duboff joke with you about them? A Yes, he said they were lucky traders.

Q Do your knowledge, were Morginstin and Harris nominees for Deutsch and Duboff? A To my knowledge, yes.

Q And Duboff told you never to do that? A That is correct.

Q Were the prices that Kelly Andrews & Bradley quoted in respect of Richard Packing done at Duboff's direction? A That is correct.

Q Did Duboff tell you that Naddeo, the firm of Naddeo, was working with him in his trading activities? A Yes, he did.

Q Now, based upon your experience with the stock market, would you say that, due to the volume of trades by Kelly Andrew & Bradley in these various stocks at Duboff's direction, this volume was sufficient to, in itself, affect the price of the stock? A Yes sir, it was.

Q And did Deutsch and Duboff support the price of the stock through -- at Kelly Andrews & Bradley? A Yes sir.

Q And does that mean that they acted in an unusual manner to support large purchases and large sales of stocks? A They were the box of the stock, yes.

Q By the box, what are you talking about? A They were in a position to buy or sell large quantities of stock, and any sell orders that came into our firm, I was directed to call them first, and they would buy the entire block without upsetting the market price of the stock.

Q In other words, if a large sell order would come in, under normal circumstances a firm such as Kelly Andrews & Bradley would not be able to buy the entire order at the

GOVT EXH 3519--PAGES FROM SHWIDOCK TESTIMONY

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

----------x

UNITED STATES OF AMERICA

-against-

BERNARD DEUTSCH

----------x

United States Courthouse
Foley Square
New York, N. Y. 10007

November 8, 1973
10:30 a.m.

APPEARANCES:

JOHN WALKER, ESQ.

Assistant United States Attorney

Fred Lorber, CSR
Acting Grand Jury Reporter

BLITZ-LORBER REPORTING CO.
CERTIFIED SHORTHAND REPORTERS
15 PARK ROW, N.Y. 10038
PHONE: 349-5790

B E R N A R D S H W I D O C K, called as a witness by the Grand Jury, being first duly sworn by the Foreman, testified as follows:

EXAMINATION BY MR. WALKER:

Q What is your name, please?

A Bernard Shwidock, S-h-w-i-d-o-c-k.

Q Mr. Shwidock, before we begin, I would like to state for the record what these proceedings involve.

This is a Federal Grand Jury investigating possible violations of the federal securities laws. And also, investigating violations of other federal laws that may be shown to have been violated by--in the course of testimony being presented to this Grand Jury.

You are appearing here as a witness and like any other witness you have certain constitutional rights.

You have the right to refuse to answer any question that you feel might tend to incriminate you. Anything you do say could be used against you in court later on. You have the right to an attorney and the and the right to consult with that attorney outside the Grand Jury room prior to answering any questions

in these proceedings.

In the event that you cannot afford an attorney, upon proper showing of indigency, the government will supply you with an attorney free of cost.

Do you understand these rights?

A Yes, I do.

Q Now, your testimony here is being given under oath and therefore the penalties of perjury apply to any willfully made false statements by you, is that clear?

A Yes, it is.

Q Mr. Shwidock, where do you live?

A 1354 Somerset Road, Teaneck, New Jersey.

Q Now, did there--was there a time when you were the president of Kelly, Andrews & Bradley?

A Yes, there was.

Q And how did you come to work for Kelly, Andrews & Bradley?

A I had a--I was introduced by Martin Roth to a Stuart Shiffman who in turn introduced me to an associate of his, Daniel Driesman, suggesting a possibility of opening up a brokerage firm.

Mr. Driesman to put up the necessary capital and I was supposed to work with him.

Q At the time were Mr. Shiffman and Mr. Driesman attorneys?

A Yes, they were.

Q Were they associated with each other in their practice of law?

A They shared common offices.

Q Did Driesman put up approximately $50,000 in cash and stock?

A Yes, sir, he did.

Q And did you contribute any cash or stock?

A No, sir, I did not.

Q So at that point Kelly, Andrews & Bradley had essentially two principals, is that correct, yourself and Mr. Driesman?

A That's correct.

Q And was Mr. Shiffman an attorney for Kelly, Andrews & Bradley on certain matters?

A Yes, he was.

Q Approximately when did this occur?

A In the spring of 1968.

Q Did you start working at Kelly, Andrews & Bradley in approximately July of 1968?

A That's right.

Q And was one of your initial acts as president

of Kelly, Andrews & Bradley to go around the brokerage community and to establish new acquaintances and reaffirm old acquaintances with people active in the securities business?

A Yes, sir, it was.

Q During the course of this process, did you meet both Bernard Deutsch and Stanley Dubove who were at that time employed by Jaffe & Company?

A Yes, I did.

Q Now, you had known Mr.--did you know Mr. Deutsch and Mr. Dubove prior to that time?

A Yes, sir, I did.

Q And you first met in approximately 1960?

A Approximately, yes.

Q Now, did this meeting with Mr. Deutsch and Mr. Dubove occur in about September of 1968?

A It was in early September 1968.

Q Now, some time thereafter, in Sep or early October of 1968, did you have a fur ting with both Stanley Dubove and Bernard Deutsch?

A Yes, sir, I did.

Q And at that time did they suggest to you that they wanted to enter an arrangement with you whereby they would receive cash payments against business that

they would bring to Kelly, Andrews & Bradley?

A Yes, sir, they did.

Q And was it made clear that these were to be in effect undisclosed cash payments?

A Yes, sir.

Q Now, did you respond by saying that you would have to take the matter up with Mr. Driesman who also was a principal with Kelly, Andrews & Bradley?

A Yes, I did.

Q Thereafter, did you speak to Dan Driesman and present the Deutsch and Dubove proposal to them?

A Yes, sir, I did.

Q Did Mr. Driesman tell you that he was interested in this proposal and that you should go back to find out more what they wanted and the details of the offer?

A That's correct.

Q Thereafter, did you return to their offices at Jaffe, and speak to Mr. Dubove?

A Yes, sir, I did.

Q Did Mr. Dubove explain to you that they wanted 50 per cent cash kickbacks as to business that they brought to Kelly, Andrews & Bradley?

A That's correct.

Q And that would be 50 per cent of the profits, is that's correct.

Q And did you reply that you would take the matter up with Dan Driesman?

A Yes, I did.

Q To see whether he agreed to that?

A Yes.

Q Thereafter, Mr. Shwidock, did you see Mr. Driesman and discuss the matter with him?

A Yes, I did.

Q Did Mr. Driesman indicate that it was not possible to do 50 per cent, that that was too high, but that you could negotiate as high as 30 per cent?

A That's correct.

Q Thereafter, did you have a further conversation with Mr. Dubove at Jaffe & Company in which you relayed--which you continued negotiations and arrived at a figure of 30 per cent?

A Yes, sir, that is correct.

Q Now, at about this time, did Mr. Dubove state that in effect he had an idea that would make life easy for you, in the sense of enabling you to make payments to them at the same time treat them as business deductions?

A That's correct.

Q And did he send you to another office in the same building?

A Yes, sir, he did.

Q Is that 50 Broadway?

A That's correct.

Q In that other office, was Mr. Dubove, Deutsch there, Mr. Deutsch there?

A Yes, Mr. Deutsch was there.

Q Did he introduce you at that point to a person known as Jack Reiss?

A That's correct.

Q And was also an accountant present?

A Yes, he was.

Q Did Mr. Deutsch introduce Jack Reiss to you as the head of Reiss Bankers?

A Yes, sir.

Q And were you introduced to Jack Reiss as the president of Kelly, Andrews & Bradley?

A That's correct.

Q And Mr. Deutsch did the introductions, is that correct?

A That's correct.

Q Thereafter, did you have a conversation with

Mr. Deutsch as you were--after the introductions as you were walking away in which Mr. Deutsch told you that Reiss was one of their big accounts and that they--that Deutsch handled all of their trading in the United States?

A That's correct.

Q And did Deutsch explain to you that there was a Swiss bank?

A Yes, sir, he did.

Q Did you then return to the office of Stanley Dubove?

A Yes, sir, I did.

Q And did Dubove state that as a means of covering the kickbacks to Deutsch and Dubove, Reiss Bank would bill Kelly, Andrews & Bradley for statistical services?

A That's correct.

Q And at that point, did he suggest an amount approximately $10,000 per month?

A That is correct.

Q These items would be treated as a business expense by Kelly, Andrews & Bradley, is that correct?

A That's correct.

Q So that they could be deducted for income

tax purposes?

A Correct.

Q And were statistical sheets provided thereafter by Reiss Bank for Kelly, Andrews & Bradley to keep in their files as an indication that they were-- that this was a good faith transaction?

A Yes, sir, it was.

Q But these statistical services were not used by Kelly, Andrews & Bradley?

A No, sir, they were not.

Q They were purely a cover for--

A Yes, sir.

Q --for the deal?

A Right.

Q Okay, and at that time did you agree to this arrangement?

A Yes, sir.

Q Did you then go back to obtain Dan Driesman's approval of this arrangement?

A Yes, sir.

Q And did Dan Driesman agree to this arrangement?

A He certainly did.

Q And Did Dan indicate his satisfaction with

the Reiss Bank cover in that it would provide a business expense deduction?

A Yes, sir.

Q Was Stuart Shiffman also aware of this arrangement?

A Yes, sir, he was.

Q Was the arrangement discussed between you, Driesman and Shiffman?

A Yes, sir, it was.

Q Now, was this subsequent to the events which you have testified to today, was business brought into Kelly, Andrews & Bradley by Deutsch and Dubove on which cash payments were made?

A Yes, sir.

Q And did you as president of Kelly, Andrews & Bradley take instructions from Deutsch and Dubove with regard to the business that they were bringing to Kelly, Andrews & Bradley?

A Yes, sir.

Q Did this--did these instructions pertain to underwritings and to trades of Kelly, Andrews & Bradley?

A Yes, sir.

Q Now, were cash payments made thereafter with regard to trading in various stocks which Deutsch

brought in and as to which he had--he directed the trades in the Kelly, Andrews & Bradley trading account?

A Yes, sir.

Q And were payments made with regoard to underwriting compensation, which Kelly, Andrews & Bradley received in respect of two underwritings on which they were to cover, which they were--as to which they were on the cover of the prospectus?

A Yes, sir.

Q Now, in my office, have you been shown and seen five checks drawn to Reiss Bankers, Zurick, Switzerland?

A Yes, sir.

Q And these checks are signed by yourself, is that correct?

A That's correct.

Q Were there checks for--one check for $30,000?

A Correct.

Q And four checks for $15,000?

A A total of $90,000.

Q A total of $90,000.

And were these checks ultimately paid pursuant to the arrangement about which you testified here today?

A That's correct.

Q Now, in addition to these payments to Reiss Bank, were cash payments also made to them?

A Yes, sir.

Q And did you personally deliver cash to Stanley Dubove on several occasions?

A Yes, sir, I did.

Q And was this cash generated on the books of Kelly, Andrews & Bradley by writing checks to Driesman or Shiffman and then having Shiffman or Driesman cash those checks and give you the cash?

A That's correct.

Q And were these payments to these two individuals treated on the books of Kelly, Andrews & Bradley as legal fees?

A That's correct.

Q Would you step outside now?

MR. WALKER: Would you excuse the witness temporarily?

THE FOREMAN: You are excused temporarily.

(Witness excused.)

GOVT EXHIBIT 3521--PAGES FROM SHWIDOCK TESTIMONY

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

----------x

UNITED STATES OF AMERICA :

-against- :

BERNARD DEUTSCH :

----------x

United States Courthouse
Foley Square
New York, N. Y. 10007

November 8, 1973

APPEARANCES:

JOHN WALKER, ESQ.

Assistant United States Attorney

Fred Lorber, CSR
Acting Grand Jury Reporter

BLITZ-LORBER REPORTING CO.
CERTIFIED SHORTHAND REPORTERS
15 PARK ROW, N.Y. 10038
PHONE 349-5790

B E R N A R D S H W I D O C K, called as a witness by the Grand Jury, being first duly sworn by the Foreman, testified as follows:

EXAMINATION BY MR. WALKER:

Q State your name, please and spell your last name.

A Bernard S-h-w-i-d-o-c-k.

Q Mr. Shwidock, you have testified previously before this Grand Jury at which time you were advised of your constitutional rights. Is that correct?

A That's correct.

Q You should be aware of the fact that those rights still pertain.

Do you understand that?

A Yes, I do.

Q And also that the penalties of perjury apply to any willfully made false statement in these proceedings.

A Yes, sir.

Q Mr. Shwidock, did there come a time in 1968 when you had meetings with principals, a principal of a company called Aristocrat Kitchens?

A Yes, sir.

Q Was that man named Abraham Cories?

A That is correct.

Q And would you tell the Grand Jury what led you to have a meeting with Mr. Cories?

A I was introduced to Mr. Cories by Bernard Deutsch and was told that Aristocrat Kitchens was going public. I was asked would I be willing to do the underwriting.

Q And approximately when did this meeting occur?

A It was some time, it was in the fall of '68. September or October. I don't remember exactly the date.

Q Could it have been in August?

A No. No, it couldn't.

Q Now, did you have a few meetings with regard to your being an underwriter for Aristocrat Kitchens?

A Yes, sir.

Q And was there, to the best of your recollection, meetings at Borden & Ball at which was present Cories, Silverstein and Deutsch?

A That's correct.

Q And also a meeting at Jaffe & Company?

A That's correct.

Q Of which the same people were present?

A That's correct.

Q Now, thereafter, did you learn from Mr. Deutsch that Aristocrat Kitchens intended to merge with a company called Wright Kitchens, principals of which were Leonard Thune and Bernard Legeman?

A That's correct.

Q And that they--did you learn also that they were intending to have a public offering at which Teddie Lehman would be the underwriter?

A That's correct.

Q Was it understood that now there would be a joint merger and underwriting with both you and Lehman participating?

A That's correct.

Q Thereafter, did you attend at Borden & Ball a rather large meeting in connection with the underwriting?

A Yes, sir.

Q And were accountants there and underwriters and attorneys for the companies and company representatives there?

A That's correct.

Q This was at Leo Silverstein's offices?

A Yes, sir, at Borden & Ball.

Q At that meeting was it settled that the merger, the offering of Akrite would be in the form of units?

A Yes, sir.

Q And each unit was to consist of two shares of common stock and a warrant to purchase a share of common stock, is that correct?

A That's correct.

Q And at about that time, was the price decided upon of the unit in the offering?

A Yes, sir, it was.

Q And was it fixed at $20 a unit?

A That's correct.

Q Now, on October 28, 1968 or thereabouts, was a registration statement filed with the Securities and Exchange Commission?

A Yes, sir, it was.

Q Now, as of that time, you and Mr. Deutsch and Mr. Dubove had entered into an arrangement whereby approximately 30 per cent of the profits of business brought to Kelly, Andrews & Bradley by Deutsch and Dubove would be paid back to Deutsch & Dubove, is that correct?

A That is correct.

Q And did this arrangement apply to the Akrite situation?

A Yes, sir, it did.

Q Did it apply to underwriting compensation, with respect to the distribution of Akrite units into accounts designated by Deutsch and Dubove?

A Yes, sir, it did.

Q Did it also apply to trading in Kelly, Andrews & Bradley's trading account as directed by Deutsch and Dubove?

A Yes, sir, it did.

Q So would it be safe to say that Deutsch and Dubove were using Kelly, Andrews & Bradley as a vehicle for handling what was in effect their business deals?

A Absolutely.

Q As far as Akrite is concerned?

A Absolutely.

Q And this was not disclosed, is that correct?

A That is correct.

Q It was not disclosed in the registration statement or the prospectus with regard to Akrite, nor was it disclosed to the business community, is that right?

A That is correct.

Q Now, the effective date of the Akrite offering was April 1, 1969, is that correct?

A That is correct.

Q Now, prior to that time, had you received names of accounts from Mr. Deutsch and Mr. Dubove as to which would be taken in the underwriting?

A That is correct.

Q Were these names either telephone directly to you or to your secretary?

A That is correct.

Q And would you name your secretary, please?

A Jerri Nelson.

Q Now, did Kelly, Andrews & Bradley receive approximately 42,000 units for distribution in the offering?

A That's correct.

Q And of those 42,000 units, were the purchasers of approximately 35,000 units designated and directed by Bernard Deutsch and Stanley Dubove?

A Yes, sir, that's correct.

Q So that Kelly, Andrews & Bradley and yourself were left with approximately 7000 units to handle?

A That's correct.

Q In connection with the offering, were prospectuses mailed out to the individuals and accounts that purchased in the offering?

A Yes, sir.

Q And did Kelly, Andrews & Bradley mail out these prospectuses pursuant to your direction?

A Yes, sir.

Q With regard to Kelly, Andrews & Bradley's business records, where a confirmation would indicate prospectus enclosed, it was your business practice to mail out the prospectus with such confirmations?

A That's correct.

Q Now, after the offering took place, was there active trading in stock?

A Yes.

Q And did you receive continual directions from Bernard Deutsch and Stanley Dubove to buy and sell Akrite for Kelly, Andrews & Bradley's trading account?

A That's right.

Q Did these directions come to you all through your tenture as president of Kelly, Andrews & Bradley?

A Yes, sir.

Q When did you leave Kelly, Andres & Bradley?

A Approximately March of 1970.

Q During this same period of time, did either Deutsch or Dubove each acting for the other as well as for himself give you instructions concerning accounts making purchases and sales in Akrite at Kelly, Andrews & Bradley, that is, accounts in which they had an interest or accounts in which they were handling?

A Accounts which they were handling, yes.

Q Did these include accounts inthe name of Harry Morgenstein?

A Yes.

Q Was another such account William Harris?

A Yes, sir.

Q Was there also an account in the name of Litman, do you recall?

A I don't recall the name.

Q Were there other accounts, however?

A Oh, yes. Yes.

Q Was it your understanding that Morganstein pertained to Deutsch whereas Harris pertained to Dubove?

A I believe that's the way it went. I believe that was the breakdown.

Q Now, did you ever meet Morganstein or

Harris?

A I met one of them. Basically accidentally,

Q Was it clear to you that Deutsch and Dubove were using Morganstein and Harris' accounts for their own purposes?

A I can assume so.

Q There were occasions when Deutsch would say "I need some money. Sell for Harris--sell for Morganstein a certain amount"?

A Yes, yes.

Q And the same thing would be true for the Harris account with respect to Dubove?

A That's correct.

Q And were there occasions when there were disputes between Deutsch and Dubove as to whether orders had been placed evenly between the two accounts?

A Yes.

Q And in those situations, would Mr. Dubove complain that Mr. Deutsch was taking too much?

A And vice versa.

Q And vice versa?

A Right.

Q Those were in respect of the Morganstein and Harris accounts?

A That's correct.

Q During the remainder of 1969, and into 1970, while you were at Kelly, Andrews & Bradley, were substantial profits made in the Kelly, Andrews & Bradley trading account in respect of Akrite?

A Yes, there was.

Q And as to those profits, were 30 per cent kickbacks made to Deutsch & Dubove, either through payments to the Reiss Bank of Zurich, Switzerland or in cash?

A That's correct.

Q With respect to the underwriting itself, was 30 per cent of that portion of the underwriting compensation attributable to the purchases arranged in the underwriting by Deutsch and Dubove paid back to Deutsch and Dubove in the same manner?

A That's correct.

Q And throughout the transactions in Akrite, were both Mr. Shiffman and Mr. Driesman who was a principal of Kelly, Andrews & Bradley aware of what was happening?

A Yes, sir, they had to be.

Q Were there conversations during this period of time concerning this business arrangement, this

arrangement with Deutsch and Dubove?

A I'm sure there were.

Q Mr. Shidock, would you be excused, please?

THE FOREMAN: You are excused momentarily.

(Witness excused.)

(Witness recalled.)

THE FOREMAN: Bear in mind you are still under oath, Mr. Shwidock.

BY MR. WALKER:

Q Mr. Shwidock, with respect to the question whether there were conversations between you, Driesman and Shiffman, concerning these payments that were being made to Deutsch and Dubove, there were checks which were cashed by Driesman and Shiffman during this period of time, is that correct?

A That's correct.

Q And this cash was delivered to Dubove?

A That's correct.

Q Is that correct?

A That is correct.

Q And at the time that these checks were cashed, there were conversations concerning the purpose of cashing these checks, is that correct?

A That's right. Absolutely.

MR. WALKER: Would you excuse the witness, please?

THE FOREMAN: You are excused subject to recall, Mr. Shwidock.

(Witness excused.)

(Time noted: 11:30 a.m.)

SA-1 (I)

Oct.'72 Sp.

October 26, 1973

Re: Financial Programs

Mr. Walker

Witn: John R. Hurley

JOHN R. HURLEY, called as a witness, and having been duly sworn by the Foreman of the Grand Jury, testified as follows:

BY MR. WALKER:

Q State your name, sir. A John Hurley, H-u-r-l-e-y; middle initial R.

Q Mr. Hurley, before we begin, I would like to advise you what the purpose of these proceedings and also of your constitutional rights, which are rights of every citizen and every witness who appears before this Grand Jury. Is that clear? A (Nods.)

Q Now, first of all, this is a Federal Grand Jury investigating possible violations of the Federal Securities laws and specifically laws dealing with fraud in connection with the purchase and sale of securities. Is that clear?

A Yes.

Q Now, like every citizen, you have the right to refuse to answer any question that you feel might tend to incriminate you. Is that clear? A Yes, sir.

Q And anything you do say could be used against you later on in court, is that clear? A Yes, sir.

Q Now, you will have to keep your voice up so that everybody in this room can hear you. You have the right to an attorney and the right to consult with that attorney prior to answering any questions in this proceeding. Is that clear?

A Yes.

Q And do you have an attorney outside at the present time? A Yes, I do.

Q Is that Elkan Abramowitz? A Yes.

Q And you should also know that in the event that you cannot afford an attorney, the Government would be obliged to furnish you with an attorney free of cost. Is that clear? A Yes.

Q Your testimony here is under oath, Mr. Hurley, and, therefore, the penalties of perjury apply to any false statement made by you that is made wilfully with an intent to falsify the truth. Is that clear? A Yes.

Q Mr. Hurley, briefly, would you tell us what your background is in terms of your employment experience from 1955 to the present? A From 1955 to '57 I was a graduate student at the University of Illinois and received a Masters degree in psychology and statistics.

Q Prior to that had you received a Bachelor of Arts degree from the University of Illinois? A Yes.

Q And from 1957 to 1959 were you an army officer? A Yes.

Q In 1959 were you awarded your MA? A Yes, I was.

Q And in 1959 to 1960 did you work on a satellite in Denver, Colorado? A On an aerospace project that was related to a satellite recognition system.

Q What specifically did you do; what was your function? A I do computer programming and I did liaison between a

computer programming group and a human factors group that was designing the laboratory for the military personnel.

Q In 1961 to 1962 how were you employed? A I was employed on setting up the Strategic Air Command Control Center in New Jersey.

Q In 1962 to 1967 how were you employed? A I was systems engineer with IBM Corporation.

Q And where were you stationed? A In Colorado Springs, where I worked on the Defense Communication Agency Command Post and in Denver.

Q In February 1967 did you switch jobs? A Yes, I did.

Q And then what did you do? A My last job with IBM had been work with the user of IBM computer. It was a mutual fund in Denver.

Q What was the name of it? A Financial Programs. And I had been working, trying to help them develop a model, a way of predicting the stock market, and I went to work for them.

Q And that was in February of 1967? A Yes.

Q After you joined Financial Programs, what was your job there? A My title was Econometrician, which meant that I dealt with statistics and mathematical description of stocks in the economy and stock market.

Q At that time did you have any function of buying or selling stocks? A No.

Q Did there come a time when you were assigned to managing a model fund? A Yes.

Q For Financial Programs? A Yes.

Q And what was that, approximately a year after you had been there? A Approximately a year after I had been there, yes, which would have been about February of 1968. That was a small amount of money that I could invest, not for my own reward, but the company wanted to see how I would do in investing money for other people.

Q Did there come a time when you were assigned to work as a portfolio manager, in effect, for a fund that was created at Financial Programs, called Financial Venture Fund? A Yes.

Q And when did that occur? A That was in March of '69.

Q Between February of '68 and March of '69, what were your responsibilities? A I was part time working on the model of the stock market and part time doing research analysis, securities analysis into companies that the fund owned stocks of or were interested in.

Q During this period of time were you also working on the small model fund? A Yes.

Q That you had been given? A Yes.

Q What was the period of your employment for Financial Venture Fund? A From - well, I managed the fund from March '69 till about March of '70.

Q What happened in March 1970? A There was a management shakeup at the company. The president of Financial Programs, which managed not only my fund, but three other funds, resigned; some other people resigned; different management came in. It was in very much of a state of flux and the philosophy for running the fund was changed. I wasn't getting along with the people there and I had virtually made the decision to leave, which I did in June of '70.

Q When did you first decide to leave? A Right at the end of February.

(Cont'd by E.J.C.)

Q Did you specifically make up your mind then or did you just start thinking about it? A No, I had -- I hadn't made up min mind for sure, but I was fairly certain then.

Q When did you actually leave, physically leave, the fund? A I gave my letter of resignation on May 15 and I left there two weeks later.

Q Which would have been about June 1st? A Right.

Q What employment did you follow after that? A I took a job with New Dimension Securities, which is a brokerage firm headquartered in New York.

Q When did you start working for New Dimensions?

A June 15.

Q Where were you working at that time? A I was living in Denver, but the intentions were to establish an office in California. Another person and a secretary had already gone to work there, so I was in the process of moving from Denver to California.

Q Could you name the other person and the secretary.

A Paul Pfleuger.

Q Spell it, please. A P-F-L-E-U-G-E-R.

Q And the secretary was -- A Sally O'Malley.

Q Did there come a time when you, yourself, moved to Los Angeles? A Yes, in August of '70.

Q Now, was your salary at IBM approximately thirteen thousand dollars? A Yes.

Q And in 1967, when you went to the Financial Programs,

was your salary initially sixteen thousand dollars? A Yes.

Q And then were there various increments along the way? A Yes.

Q And in 1969, when you became portfolio manager of Financial Venture Fund, was your salary approximately twenty thousand dollars? A Yes.

Q Were there also increments to that, depending on your performance? A Yes, there were. Bonus based on how well the fund did, relative to fifteen other mutual funds, were so-called competing funds.

Q Now, do you know Bernard Deutsch? A Yes, I do.

Q When did you first meet Mr. Deutsch, approximately? A Approximately March of 1969.

Q And at that time had you started work for Financial Venture Fund? A Yes, I had.

Q Had you made any purchases for the fund prior to meeting Deutsch? A Well, the fund had not yet become effective when I met him, so, no, I had made none.

Q Now, how did you come to meet Deutsch? A Through a man that I knew at Wood Walker, --

Q What's his name? A -- a brokerage firm. His name is Hugh Deane.

Q D-E-A-N-E? A Or D-E-A-N. I think it's with an "E." Came out to Denver and said that he would like the mutual funds to participate in a -- participate in purchasing stock of one company which another company was potentially

going to acquire, and the two companies involved were Buffalo Forge and Combustion Equipment. He came on a week-end to Denver, and myself and four or five other portfolio managers and analysts listened to what he had to say and concluded that we wouldn't have any interest in what he was talking about. He mentioned some other companies as potential investments, and a couple of them sounded interesting to me. When I --

Q Do you recall their names? A He mentioned Richard Packing and Frigitemp Corporation. When I questioned him about the fundamentals of the companies, what their earnings were and how much stock and so forth, he didn't seem to know any great detail. He just said they would be good companies to invest in.

Q Did the name, Bernard Deutsch come up? A Yeah. When I asked him who has information on these companies, what's the source of this, he mentioned Bernard Deutsch, and I said I'd like to talk to him about it.

Q Now did there come a time then when you met Deutsch? A Yeah, Deutsch called up and then visited Denver shortly after that.

Q What was your conversation with Deutsch at this time? A Well, we talked about the companies that he was involved with.

Q Can you name them? A Richard Packing, Frigitemp, Acrite and Combustion Equipment.

Q What did Deutsch tell you about these companies?

A Well, he said that they were all small situations - in other words, there was a small amount of stock out - the sales and earnings of the companies weren't big, but that they had a chance to become something and they had good managements, and gave me earnings projections which made the story seem credible.

Q What was the nature of the earnings projections which he gave you? Were they rather sharp, did they project rather substantially? A Yes, in most cases they were small to begin with, and then there were -- he looked for a jump up to some level that was about double that, and then a great from there, something - twenty to fifty per cent a year.

Q What further was said at that meeting, if you can recall? A Well, I think we had rapport between he and I in that the fund that I was to manage had as its charter to invest in small, what you might call speculative companies and some people might call rolling-the-dic type of fund. That was the tenor of the time in '69, and that was the nature of my fund, and he was one of the few brokers or people on Wall Street that I'd met that seemed to have a good grasp of the fundamentals on smaller companies.

Q When you say he had a good grasp, you're making this evaluation based upon your conversations with him? A Right.

Q Now you had approximately forty-five million dollars to invest, is that correct? A Right.

Q And that -- was that because the assets of the fund were approximately that? A The offering was fifty million

dollars worth of shares were sold in the fund, and sales commission took off about five million. Forty-five million.

Q Now, did you explain to Deutsch on this occasion that you were looking for opportunities to invest in for the fund?
A Yes, I did.

Q And that you were looking for small growth companies, that were in a sense speculative issues, to invest in?
A Yes, I did.

Q Did you express to Deutsch your interest in these various companies that he was talking about? A Well, I said I'd like to know more about them and I believed - and I now also believe - that the key to the small company is the management and I wanted to meet the managements.

Q What steps did you take to follow out this desire on your part? A Uh, well, a meeting was set up in Las Vegas, which was a place to meet where the president and chief executive officers of Combustion Equipment, Frigitemp, Acrite, Richard Packing went there with their wives and their children, and Deutsch and his family and Stanley Duboff and his family and myself and my family and Bob Anton, a fund manager at Financial Programs, and his family, and Lambert Hirscheimer and his family, so it was a big meeting.

Q Your time records or your expense voucher from the fund appears to reflect a trip - Denver-Las-Vegas, Las-Vegas-Newport-Beach, Newport-Beach-Los-Angeles, Los-Angeles-Denver - and the dates there are April 23, '69 through May 1, '69. Would this

be the trip about which you're talking? A That's the trip, yes.

Q Do you recall meeting an Abraham Kores on this trip who was affiliated with Acrite? A I believe he was there, but he was on the periphery and --

Q Did you meet a Lenoard Thun? A Yes, I did.

Q Did you have conversations with Leonard Thun about Acrite? A Yes, I did.

Q Did Thun explain to you that there was substantial growth predicted for Acrite in their revenues, earnings? A Yes, he did.

Q Did you meet Milton Cohen on this occasion? A Yes, I did.

Q Did he essentially give you the same picture for Richard Packing? A Um, yeah, did. He told a tremendous story - I mean it had a tremendous impact on myself and the other people with me who heard it.

Q And who was there from the other companies? Was Jerry Lee there? A Jerry Lee from Frigitemp.

Q And what did he tell you? A Well, he described what the company did and told me what he thought they could earn and how they would do it.

Q And were the projections very positive for Frigitemp? A Yes, they were.

Q What about the other companies? Who else was there? A For Combustion Equipment, Robert Benningson and Seymour

Smith were the president and vice-president with that.

Q They also give you positive -- A Yes, they did.

Q -- reports? A Yes.

Q Was Mr. Deutsch present at these various meetings? A Yes, he was.

Q Did Mr. Deutsch speak very positively about all of these companies? A Yes, he did.

Q Now, prior to this time Financial Venture Fund had invested in some of these securities, is that correct? A Yes, they had.

Q And as a result of this meeting, did Financial Venture Fund continue to invest in these securities? A Yes, and so did some of the other funds.

Q Now, who else from the fund was out in Las Vegas at this particular time? A Bob Anton and Lambert Hirscheimer.

Q What was Mr. Lambert's -- Mr. Anton's position at the time? A He was the portfolio manager at Financial Dynamics Fund. Hirscheimer was the trader, he traded the stocks for all the four funds that Financial Programs managed.

Q Now, did you have any further meetings with individuals connected with these various companies? A Yes, I did.

Q Specifically, with regard to Acrite, did you have any meetings in New York with any of the individuals? A Uh, no. I've never visited Acrite in New York, but I'd sent research analysts that worked for Financial Programs three or four times to visit them in New York.

Q And what about the other companies? What steps did you take to check out those companies after this Las Vegal meeting? A I sent analysts similarly to Richard Packing, which is in Saint Paul, and I did that three or four times. Same thing with Frigitemp and the same thing of Combustion Equipment, and I met those managements at various times throughout the year and I talked with them over the phone.

Q Now, do you know Milton Cohen? A Yes, I do.

Q When did you -- did you first meet Milton Cohen in Las Vegas at this time? A Yes, I did.

Q Did you meet Milton Cohen on any subsequent occasions? A I met Milton Cohen out in California sometime in the summer of '70.

Q What was the occasion of that meeting? A There was no occasion. He just dropped in and we just chatted.

Q Were you at New Dimensions at that time? A Yes.

Q Now, would it be safe to say that upon your recommendation, Financial Venture Fund purchased many, many thousands of shares in each one of these companies? Without going into the specific -- A Yes.

Q -- numbers. A Yes.

Q And were the great majority of these shares in stocks which had been brought to your attention by Bernard Deutsch made by the fund through the firm of Jaffee & Company? A I believe they were, yes.

Q Now, why was this done? A Uh, when any of the

portfolio managers, myself included, made a recommendation that a stock should be bought or sold, we could make that recommendation and also recommend through which brokerage house the business should be transacted, and we classified that business in terms of either sales, execution or research. In other words, we were compensating a brokerage house for selling our mutual funds - that was the sales; or for doing the ttansaction in an exemplary way - that was execution; or for research, meaning for bringing us the idean and keeping us up on the companies that we were involved with.

Q Which classification applied to this purchase?
A Well, to Deutsch and to Jaffee, it was for research, and I was trying - and anybody else who gave them business - was trying to pay them for their ideas, for their minds.

Q Now, offhand, do you know what percentage of the brokerage commission went to Deutsch or Duboff, personally?-- A No, I don't.

Q -- as opposed to the firm? A No.

Q You don't know what arrangement they had in terms of what percentage of the brokerage commissions were actually paid to them, personally? A No, I assumed it was the standard agreement that most brokers have.

Q Do you, offhand, know what that standard is?
A It's hard to remember, but I remember forty per cent being -- they would get forty per cent.

Q Now, essentially, when you recommended that Jaffee

purchase this stock for the fund, were you asking them then to go into the market and find this stock and sell it to the fund?

A Yes.

Q And do you know where Jaffee obtained this stock from?

A No.

Q Did Deutsch ever tell you how he was effecting these purchases? A No, he didn't.

Q Did Deutsch ever tell you or did you -- were you aware from any source as to the source of supply for Deutsch's purchases? A --

Q Apart from the fact -- A Generally, no.

Q -- they'd been in the market? A Generally, no. There might have been one or two times where - or sometime - where he would say, well, another fund has stock and it wants to sell it, that kind of thing, but --

Q Were you aware that substantial portions of the stock which he was purchasing from the fund he was obtaining from various accounts which he, himself, controlled? A Stock that he was purchasing from the fund?

Q For the fund. A No. No.

Q Did he ever discuss with you any arrangement that he had with brokers in New York concerning supplying stock to him involving pay-offs or kickbacks? A No.

Q Essentially, then, you're saying that you would give him these assignments, and where he got the stock from he did not divulge to you, except in limited instances where he'd

say there's a block available here or a block available there from a fund or something like that? A [Nods] Uh, --

Q Go ahead. A Once we'd made the determination, through our research and talking to the managements, that we wanted to own stock in these companies, it wasn't material to us to know where the stock came from; and when the fund bought it, I believe the fund had a payment-upon-delivery arrangement, where the stock was paid for when the certificates were delivered, and so --

Q Now, were payments made to Jaffee & Company for these -- for this stock, or were payments made to the individuals from whom Jaffee was purchasing stock? A By the fund?

Q Yes. A Uh, the payments were made either to Jaffee or to Loeb Rhoades, who Jaffee --

Q Cleared through? A -- cleared through.

Q Does the name, Finman & Company mean anything to you? A It's the nominee name for all the funds.

Q Is that the name in which the certificates purchased by the fund were made out? A Yes. By all the funds.

Q I see. Who is your transfer agent, or, excuse me, who had custody of the shares? A I believe Bankers Trust Company.

Q And that's here in New York City? A Yes.

Q And did they effect the mechanics of the purchases and sales of stock and the receipt and payment of monies for the funds? A I believe they did, but I don't know.

Q This is something -- A I wasn't involved.

Q -- that you understand, but you were not involved in that aspect of the operation, is that right? A Right.

Q During the period of time that you were at the fund, did you sell off any large amounts of Deutsch stocks, yourself, or was this done after you'd left the fund? A The bulk of it was done after I'd left the fund.

Q Did you ever have an arrangement with Mr. Deutsch whereby he would compensate you in return for your effecting one or more purchases of stocks which he'd brought to your attention? A No.

Q Now, there were items of value that were given to you by Mr. Deutsch from time to time, is that correct? A Yes.

Q Would you tell us what they were. A Um, --

Q I believe there was a gift certificate?

[Continued by RSK]

MR. WAL[illegible] Witness: JOHN HURLEY

A Yes, sir. At Christmas time, in 1969, he called up and said he wanted to give everybody at the Fund a present, and so he mailed out various lighters and smoking pipes and telescopes and all kinds of presents. He said to me, "What do you want?", and I said, "Send my wife a girt certificate, and let her pick it out." She had gone through an awful lot of trouble because he's Kosher, and he visited Denver, and she had to get a whole new set of cooking ware and so forth, to prepare a Kosher dinner. So I thought she'd appreciate that. He sent a gift certificate to her.

Q Do you know how much that gift certificate was valued for? A Yes, I do now. It was for $500. I thought it was for $50.

Q When did you learn it was for $500?

A Three months ago.

Q While you were at the Fund in Denver, were there any other - was there any other compensation -- excuse me. I don't want to use the word "compensation", - any other payment made to you of money or anything else of value by Deutsch while you were at the Fund? A (no response)

Q I didn't hear the answer; I'm sorry.

A Well, he gave me a little bible, and I don't know what you're referring to.

Q I'm saying: of anything of value? A No.

Q A bible, you said, and a gift certificate? Anything else that you can think of? A Not that I can

think of.

Q Did he ever deposit any money in any bank in which you had an account? A No.

Q Did you ever receive a cash consideration directly from Mr. Deutsch? A No.

Q Did you ever receive any payments in the form of stock certificates by or from Mr. Deutsch? A No, sir.

Q Did anyone on your behalf, to your knowledge, ever receive either cash or stock or any other form of remuneration, other than those items you've mentioned while you were at the Fund? I'm restricting this now to the period of time prior to your leaving the Fund. A (no response)

Q Did anyone on your behalf receive any compensation from Deutsch of which you were aware at that time, other than the items you've testified to today?

A Not that I'm aware of.

Q After you left the Fund, you went to work for New Dimensions, is that correct? A Yes.

Q In July of 1970 you received a check for $15,000 from New Dimensions, is that correct? A Yes.

Q Was that check signed by Stanley Ryback?

A I believe it was, yes.

Q What was that check for, and how did you come to receive it? A [illegible] had called; I was in Denver getting ready to move to California, and my wife and I went out house-hunting, and I found that the prices in California were about twice what they are in Denver. I would have to

sell my house in Denver in order to have a down-payment on my house in California. I put my house in Denver up for sale, and I went out to California, house hunting, and depending on how things worked out, I wouldn't have enough money there to buy one house while the other house was up for sale. So I wanted some financial backing, to be able to move my family. As it turned out, because of orders by New Dimensions, I had to turn down an offer on my house in Denver, and this was in the summer of 1970, and I wasn't able to sell it until Christmas of that year, and the original offer I turned down was for $42,500, - and I finally sold the house for around $35,000, so I lost about $8,000 on the house, - $10,000, - $8,000 was for that, and about $2,000 for moving expenses for my household goods and so forth out to California.

Q What was done with the other $5,000?

A I just kept it.

Q Did you pay taxes on this amount? A Yes. I kept it, because when I left New Dimensions, I took no severance pay or anything.

Q All right. Now before you left the Fund, while you were still employed by the Fund, did you have any agreement with Deutsch or anyone else concerning payments which you were receiving after you left the Fund? A No.

Q When did you first discuss the amount of money which was subsequently, - this $10,000? A I had asked Ryback for it

Q Do you recall when? A It would be in probably around July 4th, or the first of July; something like that.

Q Were there any discussions with Deutsch prior to that, concerning this money? A No. But nothing happened when I asked Ryback, so I had to ask Deutsch could he get Ryback on the stick and send it.

Q Why did you ask Deutsch to have Ryback do this? A Because Deutsch was influential over Ryback.

Q What led you to believe this? A Well, the fact that the money came, for one thing, and just the general relationship between them.

Q When did you first meet Ryback? A I believe it was in the late winter, early spring of 1970.

Q What was the occasion? Was there a meeting at that time? A There was a meeting here in New York.

Q Where? A At the Regency Hotel.

Q Do you recall who was present at that meeting? A Myself, Deutsch, Duboff, Stanley Ryback, Paul Fluger, and there were two or three or four other people whose names I don't recall.

Q What was the purpose of that meeting? A To discuss the formation or the establishment of a brokerage house, or rather, the going into a brokerage house of the people that were assembled there.

Q In other words there was a possibility that the brokerage house was already in existence, and the people who were assembled there would go into it? A It was not in existence.

Q At the time, were New Dimensions Securities Corporation mentioned, or Dimension Management Corporation, - something with the name "Dimension" in it, - mentioned? A Yes.

Q At that meeting, did Mr. Deutsch and Mr. Duboff make clear that they would be having a controlling interest in whatever company this was that was set up? A That's what they said, yes.

Q Was Ryback introduced to you at that meeting as a man who was with this company? whatever it was? A Yes.

Q Subsequently, you had conversations with Deutsch, Duboff and Ryback concerning your employment with this company, that correct? A Yes.

Q And did you have negotiations with them essentially throughout the spring of 1970, over the telephone or at meetings, or -- put it in your own words, - what happened? A Well, we talked about it, and discussed what would the brokerage house do, and they said that they'd be coming into it.

Q "They" being who? A Deutsch and Duboff. Paul Fluger is a man who managed a fund in

California, whom I had gotten to know, and we were friends. He said that he'd come in, and he joined it before I did, and our goal, - Fluger and myself, - would be to provide research capability to the brokerage house, - have an office in California, and do business with institutions and investors on the west coast.

Q When you joined the company of New Dimensions, did you have any ownership in the company? A No, I did not.

Q Where was the ownership in the company at the time you joined it? A As I understood it, it was totally owned by Ryback.

Q In other words, nothing had been done, as far as the outside world knew anyway, concerning the implementation of the plan which had been discussed at your meeting at the Regency? A Right.

Q That is, Deutsch and Duboff having a controlling interest, and others having some ownership in this company? A Nothing had been done.

Q On the other hand, you are not aware of what arrangements, if any, specifically existed between Ryback, Deutsch and Duboff, is that correct? A Am I aware now, or was I aware?

Q Were you aware at the time you joined the company? A Well, I was aware that something was

going on there, because Ryback didn't know anything about the stock market, or about investments, but what the relationship was, I didn't know at the time.

Q Did you have accounts of your own out in Los Angeles when you worked for New Dimensions? A Accounts of my own?

Q Yes; brokerage accounts that you handled.

A Do you mean for New Dimensions?

Q Yes. A No.

Q What did you do? What was your responsibility?

A We went there, and Fluger and I sat there and spun our wheels for three or four months. First, we had to pass an N.A.S.D. licensing, and then we had to have a bond for the office so that we could do business out there, and mainly, we were contacting friends of ours in Denver and Los Angeles and trying to generate some interest, trying to do business, if we could do it, by having them do it through New York, because we could not do it out there.

Q What was your salary with New Dimensions?

A $24,000.

Q Did you, of that $24,000, receive $12,000 in 1970? A Yes, I did.

Q During this period of time that you worked for New Dimensions? A Yes.

Q You resigned in June, 1971, is that correct?

A Correct.

Q So you worked for them approximately one-half of the year?

A Yes, sir.

(cont'd. by GH)

Mr. Walker

Q Now, you have told us of the $15,000 you received from New Dimensions in the check of July, '70 and $12,000 that you received in the form of salary for a total of $27,000, is that correct? A That's correct.

Q Were there any additional monies you received from New Dimensions? A No, I had stock transactions.

Q Personal stock transactions? A Yes, personal.

Q Did you pay income taxes on all of this money? A The full amount.

Q You don't have to sound so disconsolate, all of us have to pay taxes. You got a lot of company there. Directing your attention now to December of 1970, did you write a letter to Mr. Deutsch in which you have discussed the problems of New Dimensions as you saw them at that time? A Yes, I did.

Q And, was one of the points in this letter the fact that Deutsch and DuBoff controlled New Dimensions Securities but that was not in fact disclosed to the outside world? A Yes.

Q What led you to write this letter? A Several events. When I went to California, Paul Pfleuger and I, P-f-l-e-u-g-e-r, were trying to establish the business while we were in the process of getting the binder and getting the office in shape. When I walked in the office and saw it was furnished in the grand style, far too great for the likes of me and Paul Pfleuger, hundreds of dollars for desks, thousands of dollars in antigues; a desk with a clear plastic top; it

was grand, a grand place. I found out that Deutsch had commissioned an interior decorator to do it all there.

Q Was this a man named Austin? A Frank Austin, who we got in touch with and offended him greatly to take out some of the things and bring us a wooden desk at which we could work at.

Q Did you speak to Deutsch about the way this office had been furnished? A We did.

Q What? A Yes, I did.

Q What did you say? A That not Paul or I, none of us do business. We don't need to be flamboyant -- velvet wallpaper.

Q How did this lead you to believe Mr. DuBoff and Mr. Deutsch controlled? A I did?

Q At any rate you said several events led you to believe that and this is one of them? A This is an event, Paul Pfleuger talked to a man that ran a Mutual Fund in the same building where our office was and the man had agreed to buy certain stock; we were not authorized to do business in California. We said could he do it through New York? We had a tremendous problem in California, even if we did have a bond. Most institutions want to sell -- in other words receive the stock and pay their money in the City where they are. For us to buy stock in New York for example and carry it out to California, to deliver it, would have meant we would put up money to buy the stock -- buy the stock in other words to get the money from the Fund. In any event initiated

so much stock bought in New Dimensions through Deutsch and DuBoff.

Q Deutsch and DuBoff and not Ryback? A Right, Ryback was no founder.

Q And, any of the significant business dealings in Dimensions were by Deutsch and DuBoff and not Ryback? A Generally, because Ryback didn't know what to do.

Q Do you know what Ryback's position was prior to that? A I think he owned a variety store or surplus store.

Q Did you conclude from your total experience that Ryback was a flunkie of Deutch's and DuBoff's who was acting at their direction? A Generally.

Q Would that be a fair conclusion based on all the facts? A It would be fair. He had no business in the investment business. It all built up that's why I wrote the letter.

Q Did this fact or conclusion which you arrived at occur over a period of time? A Yes, it did.

Q And, did this conclusion result in your resigning from New Dimensions at least in part. Was that part of your reason? A Yes, sir.

Q Describe what you explained as to why you resigned generally, please? A I couldn't find out anything going on in the New York office. I would hear almost -- from almost a grapevine what stock was being bought or sold. And, the big thing, I was doing business, or I was talking with

people I didn't know rather than my friends. They wanted to know if Deutsch or DuBoff were connected with New Dimensions. It was an ambiguous set-up and my understanding was tha t Deutch and DuBoff would come in and they didn't, and when they didn't, no way to preserve your reputation, the whole thing was just flunkie, so I left.

Q Now, did Mr. Pfleuger leave at the same time? A He left a month before I did.

Q What was his reasons for leaving? A The same.

Q Did Deutsch respond to you when you wrote him this letter? A Yes, he did.

Q What did he say? A He said do you have a copy of that? And, I said, yes. He said, throw it away, I forget the words -- they can send me to jail because of it, or whatever, some words to that effect.

Q Did DuBoff speak to you about that letter at all? A No.

Q Was this conversation with Deutsch over the telephone? A Yes, sir, it was.

Q And, was it shortly after you sent this letter to him? A Yes.

Q Now when you resigned did you write Mr. Deutsch a letter? A I wrote Mr. Ryback a letter.

Q Mr. Ryback? A Yes.

Q And, as a result of that conversation -- as a result of that letter, did you have a conversation with Mr. Deutsch? A Mr. Ryback did. I gave him the letter in his

office.

Q Where? A In New York on Battery Place in New York. He called up Deutsch, read him the letter over the phone; Deutsch said, can't have that letter; can't resign that way, at which he wrote another letter, which I signed. It didn't matter how I resigned.

Q Deutsch dictated it over the phone? A Told it should be a very soft letter. In my original letter I put the major reasons I was resigning.

MR. WALKER: All right, would you mark this document, using a separate piece of paper, Grand Jury Exhibit 1 of today's date. (So marked).

Q Mr. Hurley, I show you Grand Jury Exhibit 1 of today's date, is this a copy of the letter which you sent to Mr. Deutsch on or about December 9, 1970? A Yes.

MR. WALKER: At this time I propose to read this letter to the Grand Jury. It won't be necessary to take down every word. It's a four-page letter. At the top of the letter it's written 656 Lockland -- dated December 9, 1970.

[MR. WALKER READS EXHIBIT 1 TO JURY]

Q Mr. Hurley, the document which I have read, is that a verbatim statement of the contents of that letter? A Yes.

(Relieved by SA)

Q Now, it was as a result of this letter that -- we'll withdraw that question. Subsequent to writing this letter, Grand Jury Exhibit 1, when you had the conversation with Deutsch in which he asked you to destroy this letter, is that right? A Right, yes, sir.

Q -- you made the comment or words to the effect that this letter could put me in jail, or something to that effect? A Something to that effect, yes.

Q All right. Now, Mr. Hurley, obviously, in this short period of time we have not gone into all of the conversations and dealings that you had with Deutsch and Duboff during the period of time that you were acquainted with them, is that a fair statement? A That is a fair statement, yes, sir.

Q Because these transactions and dealings and meetings, conversations, communications lasted over a period of time from early 1969 until early 1971, is that correct?

A Yes, sir.

Q So that was two full years? A (Nods.)

Q All right. At this time I will ask you to step outside just for a minute and then I may ask you to come back for a few more questions.

THE FOREMAN: You are excused temporarily.

THE WITNESS: All right.

(THE WITNESS LEAVES ROOM.)

[Witness John R. Hurley returns]

FOREMAN: I'd like to remind you you're still under oath.

Q Now, Mr. Hurley, you mentioned that with respect to efforts by the fund to ascertain the value of these companies in which the fund was investing, there were analysts that would go and meet the management, is that correct? A And go through the company.

Q Now, in these instances were the analysts the same individuals each time? A No.

Q Can you name these people. A Yes.

Q Would you. A John Conrad, Winfred Finch, Names Giasafakis [spells], Steve Roberts, uh, Jim Frankenthaler [spells].

Q Can you recall any others at this time? A No, I can't, but there might --

Q There were others? A There probably were others.

Q At any time did you, yourself, act as an analyst? Prior to taking over as portfolio manager? A Yes, I did.

Q What, specifically, are the functions and duties of an analyst? A Um, generally to look - at least in Financial Programs - to look at the fundamentals behind a company, which would mean to look at the financial statement or projections that the company might have made, try to determine if the sales can be made and if the cost can be held down and if the profits can be realized from that.

Q And what -- A And they look at the supply and demand in the company's product or service in the general economy.

Q How does an analyst get this information? A Genrally by talking with management and by reading prospectuses and annual reports, materials on the company, by visiting the company and going through it or talking to the people there, or -- and also opinion from people on Wall Street contributes to it.

Q Mr. Hurley, with regard to Acrite Industries, the stock of which was owned by several of the funds, I understand that the funds sold out essentially their position in approximately August of 1970 or thereabouts, is that correct? A Yes, that's right.

Q And the price was at around two dollars a share? A Yes.

Q Do you know who made the decision to sell at that price? A Um, I don't know wh made it. I can just speculate on who made it or how it was made from -- a committee was running the fund then and there was John Butler, an attorney, was on that committee and several other people, and I think it was a joint decision, but I don't know.

Q You weren't there? A No, I wasn't there.

Q Are you aware of the fact that the management of the funds decided to sell out a lot of - or the bulk - of their positions in these so-called Deutsch stocks after you left the fund? A That's the word I had. It wasn't only Deutsch

stocks, it was all small stocks.

Q I see. Did the funds take losses in stocks other than Deutsch stocks at this time? A Yes.

Q What was the investment objective in purchasing these Deutsch stocks for the fund, as you understood it?

A Well, for my fund, whose charter was smaller speculative companies, was to buy them, be very close to the management, monitor their performance, and my objective was to hold them two or three years and see which ones would work out. My general approach was that not all of them had to work out. A bad analogy, probably, would be going to the race track and playing all the long shots. You wouldn't expect all of the long shots to come in, but you hope to God that the ones that do --

Q Cover the losses? A Yeah.

Q Well, were these objectives stated in the prospectus so that investors in Financial Venture Fund were aware of the high-risk nature of the fund? A Yes, they were.

Q I have no further questions at this time. Would you step outside, please, for a second. A Yes.

FOREMAN: Temporarily.

[Witness leaves room, then returns]

MR. WALKER: Mr. Foreman, would you remind the witness he's still under oath.

FOREMAN: You're still under oath.

MR. WALKER: Mr. Foreman, would you now excuse the

witness, subject to recall in the future, and inform him that he's still under subpoena and that if his presence is required here at some future date, that he'll receive a communication form our office and - through his lawyer - and that a time will be fixed, hopefully one that's mutually convenient. Would you ask him if he's understood.

WITNESS: I understand.

FOREMAN: You understand that. Then you're excused temporarily, subject to recall under the conditions set forth.

WITNESS: All right.

MR. WALKER: All right, thank you very much then.

[WITNESS EXCUSED]

GOVT EXHIBIT 3569--TESTIMONY OF FRED PAUL MAZZEO

SA-1
Oct.'72 Sp.

November 16, 1973
Re: Bernard Deutsch
Mr. Walker Witn: Fred Paul Mazzeo

F R E D P A U L M A Z Z E O, called as a witness, and having been duly sworn by the Foreman of the Grand Jury, testified as follows:

BY MR. WALKER:

Q State your name, sir? A Fred Paul Mazzeo, M-a-z-z-e-o.

Q Now, Mr. Mazzeo, this is a Federal Grand Jury investigating possible violations of the Federal Securities laws. You have been subpoenaed here as a witness and, like every other witness that comes before this Grand Jury, you have certain constitutional rights, which I am going to advise you of at this time. You have the right to refuse to answer any question that you feel might tend to incriminate you. Do you understand that? A Yes, sir.

Q Anything you do say could be used against you later on in court. Is that clear? A Yes, sir.

Q You have the right to an attorney and the right to consult with that attorney outside the Grand Jury room prior to answering any question in this proceeding. Is that clear? A Yes.

Q I understand you are represented by an attorney, Mr. Malon, who is outside the Grand Jury room. Is that true? A Yes, sir.

Q I would also like to advise you that if you cannot afford an attorney and were able to prove that with an affidavit of indigency, the Government would furnish you with an

attorney free of charge to you. Is that clear? A Yes, sir.

Q Your testimony here is under oath and, therefore, the penalties of perjury apply to any false statement made by you in these proceedings. Is that clear? A Yes, sir.

Q Directing your attention to 1968. Where were you employed, sir? A V.F. Nadeo and Company.

Q What is the business of Nadeo and Company?
A Strictly an over the counter trading firm. We just created the markets in these over the counter securities. We did not deal with the public.

Q So you did not have customers? A No, sir.

Q All of the stocks that were traded at V.F. Nadeo were traded for the firm's own account, is that correct, sir?
A Right, sir.

Q What was your position at V.F. Nadeo at that time?
A I was a trader.

Q How many traders were at Nadeo, approximately?
A They must have had, I guess, about, close to fifteen traders and assistants; about thirty-five people in the room, in total.

Q Now, how were you compensated for your work at Nadeo? A I was on a commission basis, sir.

Q What commission? A Originally, when I started with Mr. Nadeo, since I started at the over the counter department, I started with forty-five percent and then it was reduced to thirty-five percent; in 1968 it was thirty-five

percent.

Q Was that thirty-five percent of the profits in stocks for the year or on a monthly basis of those stocks which you traded for Nadeo's account? A Thirty-five percent of the profits or the losses I would participate in.

Q Or the losses? A Right, sir.

Q During the year 1969 did you earn a substantial amount of money at Nadeo through these commissions?
A Both in the years of 1968, 1969 I produced in excess of a million dollars for Nadeo each year.

Q So you would have earned in the neighborhood of $350,000 at Nadeo for each year? A That is about correct, sir.

Q Do you know Bernard Deutsch? A Yes, sir.

Q When did you first meet Bernard Deutsch? A I met him around 1968 sometime, prior to my trading several stocks that he had an interest in. The exact date I cannot give you, but it was prior to the trading of those stocks that he had an interest in, sir.

Q And how did you meet Mr. Deutsch? A I met him through a gentleman by the name of Mr. Joseph Mirando, who introduced me to Mr. Deutsch.

Q Do you recall where he introduced you to Mr. Deutsch?
A Yes. One day I had a drink with Mr. Mirando at the Pub; it's at 11 Broadway, and our office was next door to it, and he asked me to come down and he introduced me to Mr. Deutsch.

Q When Mr. Mirando introduced you to Deutsch, what were his introductions? A Basically a friend of his and that I was one of the head traders at V.F. Nadeo and it was really to make a contact for me to trade the stocks of whatever interest they had.

Q Thereafter did you trade several stocks in which they had an interest? A Yes, sir.

Q And did you meet them on subsequent occasions or did you meet Deutsch on subsequent occasions? A Yes, I went up to his office to pick up a prospectus and to introduce myself formally to him and to find what interest he had in these particular stocks or at the time as the stocks came out.

Q Did you meet Stanley Duboff during that occasion? A I believe I did, sir.

Q Stanley Duboff from Deutsch's department, is that correct? A Yes, sir.

Q Did they explain to you that they were behind these various companies which you would be trading? A They led me to believe, sir, that they would have a very active trading interest in them. I don't qualify, in other words, when you say behind.

Q They said they would have an active trading interest in these stocks? A Right, sir.

Q That they would be trading the stocks actively? A Right, sir.

Q Did Deutsch tell you that he had played a role in the financing of the companies, in any of these companies? A He did mention about financing. I don't recall whether he mentioned to me about financing, but he did mention that he had a very close relationship to them, let's put it that way.

Q To the companies? A To the companies.

Q Now, when you traded at V.F. Nadeo, who at Jaffe did you usually talk to over the telephone? A It was either Stan - I think most of the time it was Stan, but I also spoke to Bernie at times when maybe Stan was tied up, and there was another gentleman who picked up the phone at times by the name of Howard; I mean, from time to time in these years.

Q Primarily it was Stan Duboff? A Yes, most of the time it was Stan.

Q Prior to meeting Bernie Deutsch, had you heard of him? A Yes, sir.

Q Did he have a reputation on Wall Street as being a powerful figure there? A Mr. Walker, I heard of him only when they were in another firm, I think it was Seymour, Bernard and Duboff or something like that, and that is how the name came up, but I really never had any kind of a relationship with him.

Q I am not talking about any prior business relationship you had with him. I am just talking about what you under-

stood his reputation to be prior to your meeting Deutsch in person? A They had supposedly a very good name; in other words, not a good name, they were supposed to be a very powerful money group and they were knowledgeable people.

Q By that you mean they had a lot of buying power at their disposal? A Extremely powerful, sir.

Q After you met Deutsch, did you discuss the source of Deutsch's buying power with him at any time? A No, sir, he never really mentioned anything to me as far as his buying power was concerned. He was very, very secretive about these things, and I don't think people would usually exploit their sources.

Q Subsequent to meeting Deutsch and Duboff, did you trade the securities in Acrite Industries? A Yes, after I met Mr. Deutsch, each issue that he had an interest in I started to trade as they became public or if they were public already, then, whether or not he tells me to get into them or something like that, since he had an interest in these situations.

Q Did you trade Acrite? A Yes, sir.

Q Did you trade FrigiTemp? A Yes, sir.

Q Did you trade Status Marketing? A Yes, sir.

Q Did you trade Richard Packing? A Yes, sir.

Q Did you trade Richard Franchise Investment? A Yes, sir.

Q Did you trade Michael Craig? A Yes, sir.

Q Were there others which you traded, in addition to those? A Offhand it's very hard for me, because it's going back to '68.

Q But do you think there might have been others? A There might have been maybe one or two others. If you brought out the names, maybe I can pick it up.

Q Did you trade in Integrated Medical? A For some reason it doesn't ring a bell to me. I used to trade like a hundred stocks by myself and this doesn't ring a bell to me.

Q Did you start with Nadeo in 1966, in June of 1966? A Yes, sir.

Q And did you leave them in February of 1970 when they went out of business? A Yes, I stayed until Nadeo went out of business; I stayed with him to the end.

Q Did you discuss when you left Nadeo, did you discuss your future with Bernie Deutsch at all, where you would work or anything? A Nothing at all. With Mr. Deutsch?

Q Yes. A When I left Nadeo?

Q Yes, did you look for a job with Mr. Deutsch? A Never. I was out of work for six months, in fact. I later on got a job on my own with a Scire, who was one of the top traders with M.H. Meyers, as partner. Our basic thing, we had hoped we were going to open our business, in 1968, we informed Mr. Nadeo of this. I had a large credit balance into this and I had about $200,000 laying in there. I wanted to buy

into the firm with Scire and I would have come in as partners, because that was our objective. Then the market broke and we just couldn't get the proper backing and I wound up at Meyer.

Q When did you start with Meyer, sir; fall of 1970?
A No; around the summer of 1970, I believe, sir. I was out of work approximately six months.

Q Now, looking at the transactions in general that you had with Deutsch and Duboff, were they mostly buyers?
A I would say on balance, they were buyers, zero balance.

Q Did you trade with anyone at Kelly, Andrews and Bradley during this period of time? A Yes, sir.

Q Who did you trade with over there? A I believe it was Bernie.

Q Shwidock? A Shwidock.

Q Did you ever discuss Kelly, Andrews and Bradley with Deutsch? Excuse me. I withdraw that.

(Cont'd by RSK)

MR. WALKER Witness:FRED PAUL MAZZEO.

Q Do you know whether Mr. Deutsch had any interest in Kelly, Adrews & Bradley at that time?

A Financial interest, are you speaking of?

Q Any interest at all, in Kelly, Andrews & Bradley? A I just knew that there must have been a close association, because they were involved in the same stocks, but as far as any kind of an interest outside of that, no.

Q That is, you're not aware of any? A I'm not aware of any interest, let's put it that way. I was never aware of any.

Q When you looked for their stock, did you look to Kelly, Andrews & Bradley on many occasions for their stock?

A In other words, as a seller?

Q As a buyer? A I don't understand your question.

Q When you were purchasing stock? A He was the broker, right.

Q Would you purchase from Kelly, Andrews & Bradley on any occasion? A It's hard to go back that many years, to refer to, but I'd say yes, I did a great deal of business with them.

Q Were there any circumstances in which Deutsch or Duboff would tell you that Kelly, Andrews & Bradley had stock to sell, and thereafter you would go and make a purchase at Kelly, Andrews & Bradley? A Yes, sir.

Q Did that happen with some frequency?

A I'd say yes.

Q Then there were many occasions on which Jaffe would buy from you, is that correct? A Yes, sir.

Q That was true with all of these stocks that you've mentioned, is that right? A I'd say - you know - to the best of my knowledge - I'd say yes, yes, sir.

Q When did you first meet Mr. Marando, Joseph Mirando? A Joseph Mirando and I met around 1960.

Q How did you meet Joseph Marando? A He'd evidently heard of my name through a close associate of our family, who was a judge. In fact he passed away recently, and Mr. Marando was very fond of this judge, and evidently my name came up, and then Mr. Marando - I forget the details- looked me up or something like that. That's how we became friends from then on.

Q Was that judge's name Ruizi? A Yes; Judge Ruizi, sir.

Q Was he a Domestic Relations judge?

A Yes.

Q Did you have any business dealings with Joseph Marando thereafter? A The only kind of dealings I had with Mr. Marando was that he later on came out with his own company, called Jodmar Industries, and he asked me if I'd trade it. I was employed by James Anthony at the time, and I traded the stock.

Q Did you on occasion visit Mirando at his home? A Yes. One time my wife and I were invited to his home for cocktails, and spent an evening with him. And then later on he took ill, started to get these heart attacks, and he was laid up for periods of time, and sometimes - you know - just - I'd stop in just to say hello on my way home from work. But that was basically the extent of the relationship.

Q When was the last time you saw Mr. Mirando? A Mr. Walker, it was either late '68 or early '69, the last time I either heard from or spoke to Mr. Mirando.

Q Have you spoken to Mr. Mirando within the past six months? A No, sir.

Q When was the last time you saw Mr. Deutsch? A In '68.

Q And Mr. Duboff? A Same time.

Q In '68? A In '68; that's when I went up to their office, or, either it was '68 or '69; right in that period. Do you know what I mean? But that was it.

Q Thereafter the only contact you had with them was over the telephone, is that right? A With who?

Q Deutsch and Duboff? A Until I dropped their stocks, - that was it.

Q When did you drop their stocks? A Naturally before we went out of business, so you figure, - in '69 some time.

Q Towards the end of 1969? A Right, and I think some stocks I dropped sooner, because I got into

some fights with Duboff. I didn't like the way he was - you know - trying to master-mind my trading; I didn't appreciate that.

Q What was he trying to do? A Trying to master-mind my trading.

Q Would you be more specific? What would he do? A Well, if the stock, for argument's sake, was 39, - I'm just taking a hypothetical number, - I don't know if you people can appreciate that in the history of 1968, which was the busiest bull market in all -- sometimes I was writing with two assistants; I just didn't have time to be bothered with someone at the other end of the phone, "the market should be this way," and "the market should be that way", and I says, "I'll trade the stock as I see it." And there were several times he wanted executions of stock that I felt would hurt me. In fact I did get hurt on Richards Franchise Warrants.

Q I don't quite understand how this type of transaction would come about: would you explain to the Grand Jury? What would the argument be over? A Well, the argument would be, Mr. Walker, - a trader has to trade by the feel of the situation; you trade by the stock, by the movement of the stock, by the capitalization of the stock, what a company or stock is capitalized at. Now, if you're trying to dictate to me how I should trade my stock, - in other words, - how much market I should make, at what price,

when I'm putting my money on the line: this doesn't go with me, because I'm very independent, and, with the grace of God, very successful.

Q In fact, he was trying to dictate your activity? A To a certain extent, in layman's language, yes.

Q He was telling you what to do, the amounts to buy and sell, and the price, in effect, - is that correct, and you were telling him that he couldn't do this?
A In cases, yes; in other words, what would actually happen, - to give you, for example, - let's assume the market gain is 39 1/2 to 40: don't forget, he was not trading the stock in the Pink Sheets. I don't know if you people are aware of the Pink Sheets, put out each day by the National Quotation Bureau. Now, these Pink Sheets are sent out to the brokerage offices throughout the country, and each stock traded over the counter is listed with the name of the firms in it. In other words, if Jaffe was buying stock, and they're not in the Pink Sheets, they'd trade with someone in the Pink Sheets. And I was in the Pink Sheets. Now, if Kelly, Andrews & Bradley were selling stock, they were not in the Pink Sheets. In most of the cases, from the indication you've given me, they've sold me most of the stock, to sell in case there's a 40 bid, for $5,000, and I see, if I cannot buy $5,000, - I'll sell 200 at 40, and make my market at 49 and 3/4, - 49 1/2; - but you have to move with the tempo.

Now this is happening with great speed; now you're doing it with a hundred ten stocks.

Q The point is that he was in effect not giving you what you considered to be free rein, as far as your purchases were concerned? A Exactly; that's why I had this falling out with him, Mr. Walker. And later on I dropped his stocks. In fact he tried to crucify me in the Richard Franchise Warrants, because I just didn't want to cooperate with him any more.

Q What exactly happened as far as Richard Franchise Warrants were concerned? A I was short. In other words, by "short", it means -

Q That you'd sell? A That I sold something that I do not own, with the anticipation of buying it back at a lower price. Now, if I do not buy it back at a lower price, and it goes higher, - each eighth or half-point that it goes higher is the amount of money I'm losing on the number of shares I'm short. And basically this is it. And he was short the stock, and they started to - the buyers-to-be, whoever they were, - because then everything broke loose, - they started to buy this, the unit and the common, and as the unit went up, -- the common, the value of the Warrants went up. You see, it works proportionately, and they had me short; I was out maybe $20- or $25,000 at one clip.

Q Is it your belief that they were responsible for this price rise? A Definitely, because you

see, Mr. Walker, basically they were the buyers in all of their stocks, and this was, from my point of view as a trader. Eventually everything had to go down, you see, because when one buyer does all this buying, sooner or later he has to come out of the stock to get more money, - and this is exactly what happened. That's why Richard Packing at thirty-something was a short, because today, what's the stock selling at? It's pennies, right?

Q Right. A This is the one buyer conduit alone. Sooner or later you have to come out; raise more money.

Q Would it be safe to say that during 1969 they were doing essentially their buying at that point in these stocks? A Well, from me, - you see, - I don't know what they did, Mr. Walker, because there were other people trading the stock from me, basically. I think the records will indicate this. My memory is that they did most of their buying from me. I don't know what they did with other people. In other words, they might have been buying from me, and then selling to another house. Do you follow me?

Q As far as you knew, they were buying from you? A Basically they're buyers on balance.

Q So when you speak of their power to buy in Richards Franchise, they were exercising their power to sell? A That's right, because you could see the fantastic powers they had. As I stated earlier, the Jaffe Company was known

as a very strong financial house; they were very well capitalized.

Q This buying power that was put into these various stocks by Deutsch and Duboff were, except in the case of Richard Franchise Warrants, to your advantage, is that correct, in the sense that - ? A It didn't make any difference, Mr. Walker, because I was trading the stock, so in other words, if I bought a stock at 30 and turned it over at 30 1/4, or if I bought for 40 and made 40 1/4, it's the same thing. It's a turnover business. In other words, I never really, really had any kind of concentrated position, to say that it was a trading thing.

Q I understand that, but to say that you felt comfortable in trading the stocks because Deutsch and Duboff were buyers and had a history of buying: is that safe to say, that you felt comfortable buying that stock for your accounts because your experience had taught you that Deutsch and Duboff would be buying from you? A Oh, yes, because, in other words, you'd be short, and they'd crucify you.

Q That's what I'm saying. A Right; now I understand your question, sir. In other words, if I have to sell them stock, and I don't know where I could pick stock up, like checking with other brokers who were potential sellers, and assuming there were no sellers around, - you can't go out and pick up a piece of stock, $2- or $3- or $20,000 - something like that - because then you could be

definitely hurt; you could be out thousands and thousands of dollars.

Q Now, Mr. Mazzeo, did you ever pay any cash consideration to Deutsch and Duboff? A No, sir.

Q Or to either of them? A No, sir.

Q Did Bernie - A First of all, -

Q Let me just ask my question - ? A I'm sorry; right.

Q Did Bernie Deutsch or Stanley Duboff ever pay you any cash consideration, or consideration of any sort? A No, sir.

Q Did you ever pay them any consideration other than cash to either Deutsch or Duboff? A No, sir.

Q Did you pay any consideration either in cash or by check to Joseph Marando in respect of any business that you conducted with Deutsch and Duboff? A No, sir.

Q Would you step outside, sir, for just a moment?

FOREMAN: Just temporarily excused.

WITNESS: Certainly.

(WITNESS LEAVES ROOM)

AFFIDAVIT OF PERSONAL SERVICE

STATE OF NEW YORK,
COUNTY OF RICHMOND ss.:

EDWARD BAILEY being duly sworn, deposes and says, that deponent is not a party to the action, is over 18 years of age and resides at 286 Richmond Avenue, Staten Island, N.Y. 10302. That on the 2 day of Dec, 1974 at No. N. Courthouse Foley Sq NYC deponent served the within Appendix (Vols. I-II-III) upon A. Lattorner the appellee herein, by delivering a true copy thereof to h personally. Deponent knew the person so served to be the person mentioned and described in said papers as the appellee therein.

Sworn to before me,
this 2 day of Dec 1974

Edward Bailey

WILLIAM BAILEY
Notary Public, State of New York
No. 43-0182945
Qualified in Richmond County
Commission Expires March 30, 1976